

FY2004 ANNUAL REPORT









CHANGE.
CHICAGO HOUSING AUTHORITY

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Gail A. Niemann General Counsel March 1, 2005



I am very pleased to present the Chicago Housing Authority's (CHA) FY2004 Annual Report, which details the CHA's progress during the past year. CHA's *Plan for Transformation*, a vision to redevelop or rehabilitate 25,000 public housing units, continues to successfully move forward.

During FY2004, the CHA surpassed the pivotal midway point of the Plan and gained further momentum. This year, we completed 1,900 units, bringing the total number of completed units to 13,137 – 52% of the total units promised under the Plan. We completed 91% of our senior units and 98% of our scattered site units, surpassing our goals by 17% and 8% respectively. We also closed five mixed-income real estate transactions during FY2004, bringing the total to 26 mixed-income deals completed since the Plan began. The Plan is taking shape all across the city with construction now underway at or near every major redevelopment site, with many new units already completed and leased.

Our residents are moving from uninhabitable old public housing buildings to safer apartments in CHA's redeveloped or rehabilitated housing stock or to apartments in the private market with a Housing Choice Voucher. Since the Plan began, we have successfully relocated 4,000 households, 2,200 of which have already moved into their permanent replacement housing unit. For these families, and so many others, the better life we promised under the Plan for Transformation is already happening.

As the largest revitalization project in the nation, the Plan's sustained progress would not be possible without the continued support from HUD, the City of Chicago, private businesses, community leaders, and our residents. All of these parties are helping to dramatically transform poverty and crime-ridden communities into places filled with hope and opportunity.

During 2005, the Plan's sixth year, we will continue to deliver more units, prepare families to be successful in mixed-income settings, and connect residents with opportunities that will foster their economic and social self-sufficiency. I look forward to another year of progress.

Sincerely.

Terry Peterson

Chief Executive Officer

INTRODUCTION

On February 6, 2000, the U.S. Department of Housing and Urban Development (HUD) approved the Chicago Housing Authority's (CHA) Plan for Transformation and Moving to Work Demonstration Agreement (MTW Agreement). The MTW Agreement and its amendments provide the CHA the opportunity to implement innovative strategies for revitalizing housing and assisting residents in taking steps towards economic self-sufficiency. These strategies are outlined in the Plan for Transformation as well in the CHA's annual plans.

In accordance with the MTW Agreement, the CHA submits an annual report which provides an accounting of the CHA's progress in meeting the goals set forth in the prior annual plan. This document serves as the CHA's FY2004 Annual Report for the fifth year of the historic Plan for Transformation.

As the CHA continues to move forward with the Plan for Transformation, the residents of the CHA and Chicago are experiencing the benefits of sweeping changes to the administration and operation of public housing in Chicago. While the CHA is proud of its FY2004 accomplishments, the CHA and its partners, including HUD and the City of Chicago, will continue to work to reshape the face of public housing in Chicago.

Highlights of the FY2004 Annual Report

Chapter 1: Renewal of Chicago's Public Housing

- Completed 1,900 revitalized public housing units for Plan-to-date total of 13,137, or 52% of the 25,000 unit goal.
- Broke ground at five mixed-income redevelopment sites.
- Completed 91% of senior housing rehabilitation.
- Completed 98% of scattered site housing rehabilitation.

Chapter 2: Enhancing Affordable Housing Opportunities

- Leased 34,078 Housing Choice Vouchers (HCV) that assist families in obtaining quality, affordable homes in the private market.
- Forty-one (41) families bought a home in FY2004 through the Choose to Own Home Ownership Program.
- Opened two new HCV Program Satellite Offices for a total of three across the City of Chicago.

Chapter 3: Supporting Residents Through Relocation

- Assisted 469 families with their move to permanent housing in a mixed-income community or the private-market with a HCV bringing the Plan-to-date total number of permanent moves to over 2,200.
- Hosted Relocation Fairs at Francis Cabrini Extension, Madden Park/ Ida B. Wells Homes, Robert Taylor Homes, and William Green Homes.
- Received the Public Innovator Award for the CHASystems@Work Relocation Services Suite for its creative and unique solutions to improve service delivery, address problems, and demonstrate measurable results.

Chapter 4: Achieving Economic Self-Sufficiency

- Opened 8,496 cases and provided 10,899 referrals through the Service Connector System.
- Nine hundred, thirty-three (933) residents obtained full and part-time jobs bringing the Plan-to-date total number of job placements to 4,600.
- Coordinated with the Chicago Police Department to continue the CAPS Program at CHA family properties.

Chapter 5: Promoting Economic Opportunities

- Held quarterly "How to Do Business with the CHA" training sessions for potential contractors.
- Invited residents and other low-income individuals to attend the Six-Step Series Workshops providing assistance with starting and managing a business.
- Created the Earn and Learn Program to assist residents and other low-income individuals in moving toward economic self-sufficiency.

Chapter 6: Operation of Chicago's Public Housing

- Established benchmarks of performance for property management companies. Six of the seven benchmarks were met or exceeded at the senior designated properties and four of seven were met or exceeded at the family properties.
- Created policies to support the revitalization of public housing including the Minimum Tenant Selection Plan and the Resident's Grievance
 Procedure.
- Conducted extensive training on the Admissions and Continued Occupancy Policy, Lease, and Pet Policy as well as the Resident's Grievance
 Procedure for property managers, CHA staff, and residents.
- Implemented Economic Independence Policy pilot program at Washington Park/Randolph Tower.
- Inaugurated the new Pilsen/Little Village Latino Site Office.

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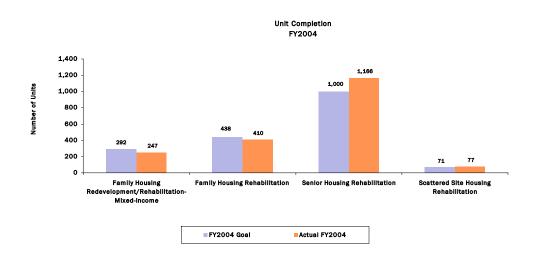
Chapter 7: Advancing the Vision for CHAnge

- Received the Certificate of Achievement for Excellence in Financial Reporting for the seventh consecutive year.
- Received the Distinguished Budget Presentation Award by the Government Finance Officers Association for the fourth consecutive year.
- Leveraged \$3.57 million in new resources reaching a total of \$73 million in new resources since the inception of the Plan.

INTRODUCTION
Chicago Housing Authority FY2004 Annual Report

CHAPTER 1: RENEWAL OF CHICAGO'S PUBLIC HOUSING

The Chicago Housing Authority's Plan for Transformation sets forth a blueprint to create 25,000 redeveloped or rehabilitated public housing units at mixed-income, senior, family, and scattered site housing properties. As of December 31, 2004, the CHA has completed more than 52%, or 13,137 public housing units, of the planned 25,000 units. In FY2004, the CHA accomplished the following:



- Completed 1,900 public housing mixed-income, senior, family, and scattered site units;
- Delivered public housing units at the Rockwell Gardens and Madden Park/Ida B. Wells and Extension/Clarence Darrow Homes redevelopment sites;
- Closed six real estate transactions bringing the total to date to 29;
- Broke ground at five mixed-income redevelopment sites;
- Managed construction at all ten major mixed-income redevelopment sites;
- Completed rehabilitation at Lake Parc Place, a family rehabilitation site; and
- Surpassed the senior and scattered site FY2004 unit completion goal by 17% and 8% respectively, bringing the plan to date totals to 91% and 98%.

All of these accomplishments translate into numerous CHA families living in new, revitalized homes created by the CHA as part of the Plan for Transformation.

	Unit Completion Plan to Date							
Category	Development Name	Actual Units Delivered FY2000 & Before	Actual Units Delivered FY2001	Actual Units Delivered FY2002	Actual Units Delivered FY2003	FY2004 Unit Delivery Goal*	Actual Units Delivered FY2004	Actual Total Units Delivered through FY2004
	Family Housing Redevelopment/Rehabilitation- Mixed-Income							
	Family Housing Redevelopment- Mixed-Income							
1	ABLA Homes	329	-	-		-	-	329
1	Francis Cabrini Extension North	44	32	53	57	58	20	206
1	Governor Henry Horner Homes	553	-	-	8	79	79	640
1	Lakefront Replacement Housing	90	16	-	15	62	62	183
5B	Rockwell Gardens		-	-	-	20	16	16
5B	Stateway Gardens	-	-	-	-	-	-	-
1 & 5E	Robert Taylor Homes	29	27	-	-	-	-	56
1	Madden Park / Ida B. Wells Homes and Extension/ Clarence Darrow Homes	-	-	-	-	-	11	11
	Family Rehabilitation- Mixed-income							
1	Raymond M. Hilliard Center		-	-	94	59	59	153
1	Washington Park/St. Edmund's Meadows	-	-	-	-	14	-	-
	TOTAL: Family Housing Redevelopment/ Rehabilitation- Mixed-Income	1,045	75	53	174	292	247	1,594
		2,040	70	00	±1 7	292	241	1,004
	Senior Housing Rehabilitation			0.400	2011			
2	Phases I - IV	-	1,026	3,489	2,911	1,000	1,166	8,592
2	Phase V: Larabee	-	-	-	-	-	-	-
2	Phase VI: Flannery, Briton/Budd, Pomeroy, Kenmore	-	-	-	-	-	-	-
	TOTAL: Senior Housing Rehabilitation	-	1,026	3,489	2,911	1,000	1,166	8,592
	Scattered Site Housing Rehabilitation							
3	Scattered Sites North Central, Northeast, Southeast, Southwest, and West		688	1,063	654	71	77	2,482
4	Cabrini-Lincoln		18	-	0	-	-	18
	TOTAL: Scattered Site Housing Rehabilitation	0	706	1,063	654	71	77	2,500
	Family Housing Rehabilitation							
5A	Altgeld Gardens and Phillip Murray Homes	-	-	-	-	25	-	-
4	Bridgeport Homes	-	-	-	15	10	10	25
4	Francis Cabrini Rowhouses	-	-	-	-	-	-	-
4	Lake Parc Place	-	-	-	21	279	279	300
4	Lawndale Gardens	-	-	-	-	-	-	-
4	LeClaire Courts Extension	-	-	-	-	-	-	-
4	Lowden Homes	-	-	-	5	44	49	54
5A	Trumbull Park Homes	-	-	-	-	80	27	27
4	Washington Park Low-Rises	-	-	-	-	-	45	45
4	Wentworth Gardens	-	-	-	-	- 400	- 440	-
	TOTAL: Family Housing Rehabilitation	0	0	0	41	438	410	451
To Be	Redeveloped or Rehabilitated							
	To Be Redeveloped							
5B	Francis Cabrini Extension South/William Green Homes/1230 N. Burling	-	-	-	-	-	-	0
4	Lawndale Complex	-	-	-	-	-	-	0
5B	Randolph Towers	-	-	-	-	-	-	0
28	Washington Park High-Rises	=	-	-	-	-	-	0
5A	To Be Rehabilitated Dearborn Homes		_	_	-		_	0
5A 5A	Harold Ickes Homes		-	-	-	-	-	0
ЭA	To Be Rehabilitated or Redeveloped (Undecided)	-	-		-	-	-	U
	Lathrop Homes		_					0
	TOTAL: To Be Rehabilitated or Redeveloped	0	0	0	0	0	0	0
	GRAND TOTALS	U	U	U	U	U	V	U
	TOTAL NUMBER OF PUBLIC HOUSING UNITS	1,045	1,807	4,605	3,780	1,801	1,900	
	CUMULATIVE TOTAL NUMBER OF PUBLIC HOUSING UNITS	1,045	2,852	7,457	11,237	13,038	13,137	
	CUMULATIVE TOTAL PERCENTAGE OF 25,000	4.2%	11.4%	29.8%	44.9%	52.2%	52.5%	

^{*}As indicated in the FY2005 Annual Plan

Category	Public Housing Unit Construction Sched	FY2004 Units Under Construction Goal*	Actual Units Under Construction FY2004**
	Family Housing Redevelopment/Rehabilitation- Mixed-Income		
	ABLA Homes	125	125
	Francis Cabrini Extension North	68	109
	Governor Henry Horner Homes	113	113
	Lakefront Replacement Housing	92	92
	Rockwell Gardens	20	20
	Stateway Gardens	27	27
1 & 5B	Robert Taylor Homes	54	54
1	Madden Park /Ida B. Wells Homes and Extension/ Clarence Darrow Homes	63	63
	Family Rehabilitation- Mixed-Income		
	Raymond M. Hilliard Center	59	59
	Washington Park/St. Edmund's Meadows	14	14
l ľ	TOTAL: Family Housing		
	Redevelopment/ Rehabilitation- Mixed-Income	635	676
	Senior Housing Rehabilitation		
2	Phases I - IV	1,000	2,100
2	Phase V: Larabee	-	-
2	Phase VI: Flannery, Briton/Budd, Pomeroy, Kenmore	-	-
	TOTAL: Senior Housing Rehabilitation	1,000	2,100
	Scattered Site Housing Rehabilitation		
3	Scattered Sites North Central, Northeast, Southeast, Southwest, and West	71	99
4	Cabrini-Lincoln	-	0
	TOTAL: Scattered Site Housing Rehabilitation	71	99
	Family Housing Rehabilitation		
5A	Altgeld Gardens and Phillip Murray Homes	25	-
	Bridgeport Homes	10	92
	Francis Cabrini Rowhouses	-	-
	Lake Parc Place	279	279
	Lawndale Gardens	-	-
4	LeClaire Courts Extension	-	-
	Lowden Homes	44	121
5A	Trumbull Park Homes	80	434
4	Washington Park Low-Rises	-	45
	Wentworth Gardens	-	-
	TOTAL: Family Housing Rehabilitation	438	971
	To Be Redeveloped or Rehabilitated		
	To Be Redeveloped		
	Francis Cabrini Extension South/William Green Homes/1230 N. Burling	-	-
	Lawndale Complex	-	-
	Randolph Towers	-	-
	Washington Park High-Rises	-	-
	To Be Rehabilitated		
_	Dearborn Homes	-	-
	Harold Ickes Homes	-	-
	To Be Rehabilitated or Redeveloped (Undecided)		
	Lathrop Homes	-	-
	TOTAL: To Be Rehabilitated or Redeveloped	-	-
	GRAND TOTALS		

^{*}As indicated in the FY2005 Annual Plan

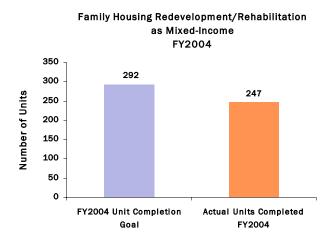
^{**}Actual units under construction includes all units where construction activity occurred during FY2004 and where unit delivery either occurred occurred in FY2004 or will occur after FY2004.

FAMILY HOUSING REDEVELOPMENT/REHABILITATION AS MIXED-INCOME COMMUNITIES

The CHA committed to improving the quality of public housing in the City of Chicago with the adoption of the Plan for Transformation (Plan). One component of the Plan was the creation of mixed-income/mixed-finance communities through redevelopment and rehabilitation. In FY2004, the CHA completed construction of 247 public housing units in eight mixed-income communities. The impact of the CHA's commitment to change is evident by the 1,594 public housing units created in mixed-income communities since the Plan began.



Although the redevelopment/rehabilitation process is different for each site, the CHA has been able to streamline the lengthy progression of steps that must occur before construction can begin.



Creation of a Working Group

Each of the ten mixed-income communities has a working group that participates throughout the redevelopment process. The working group is comprised of resident leadership and representatives, the master developer, CHA staff, community partners, the Habitat Company, the City of Chicago, and the Gautreaux Plantiffs' Counsel.

Identification and Selection of a Master Developer

A master developer for each mixed-income community must be selected. Requests for Proposals (RFP) for master developers are solicited nationally through the CHA's competitive procurement process. The CHA and the working group select the master developer, with whom the CHA enters into a Master Developer Agreement (MDA). The MDA includes a description of the project, the master developer's responsibilities, the CHA's responsibilities, and a timeline for unit construction and delivery. The MDA must receive approval from the CHA's Board of Commissioners (Board), the Habitat Company, and U.S. Department of Housing and Urban Development (HUD) to be finalized.

<u>Creation of the Redevelopment Plans for the Mixed-Income Community</u>

The master developer contracts with a master architect and/or urban planner to create a redevelopment plan. The working group for each

mixed-income community participates in the creation of the final redevelopment plan which illustrates the building and land uses proposed for the site, as

well as the total number of public housing, affordable, and market-rate units to be developed. Some of the units are built on the actual site of the former

CHA development (on-site), while others are located on parcels adjacent to or in the vicinity of the CHA land (off-site). The site plans show how the

chosen mix of residential buildings with parking areas, commercial space, and green space will blend into the surrounding community.

Submitting Rental Term Sheet and Mixed-Finance Proposal

A Rental Term Sheet and Mixed-Finance Proposal for each phase of redevelopment must be submitted to HUD for approval. These documents

describe the overall unit count and building types; sources of funding; names of major partners; non-residential or mixed uses; and any special features of

each phase (e.g., a land exchange, commercial facilities, scattered site acquisition, and development). In FY2004, the CHA submitted four Mixed-Finance

Proposals to HUD for approval.

Securing Supplemental Financing

A redevelopment plan cannot be implemented without a significant amount of financial support from external sources. CHA funds alone cannot

make a mixed-income community come to life; therefore, the master developer and the CHA must work together to secure supplemental financing from a

variety of sources. Supplemental financing comes from both private and public resources and may include tax credits, private mortgages, tax-exempt

bonds, and HOPE VI awards.

The complex nature of each mixed-income communities' financial structure, coupled with the significant effort required to build a new mixed-

income community, causes the CHA and master developer to divide the redevelopment process into phases and secure financing for each phase, rather

than attempt to secure financing for the entire development at once. With the completion of each real estate closing, the CHA and master developers'

ability to secure financing for similar projects increases.

CHAPTER 1: RENEWAL OF CHICAGO'S PUBLIC HOUSING Chicago Housing Authority FY2004 Annual Report p. 8

Drafting a Tenant Selection Plan and Lease

Each mixed-income community has admissions criteria and occupancy policies for those interested in renting public housing, affordable, and market-rate units. The master developer drafts the site-specific admissions criteria known as a Tenant Selection Plan (TSP) and the occupancy policies contained in each respective lease. The documents are presented to the working group and subsequently released to the public for review during a public comment period.

The table below shows the five sites at which public comment periods for mixed-income TSPs and leases occurred in FY2004.

Mixed-Income Site Tenant Selection Plans and Leases FY2004			
Mixed-Income Community	Original CHA Site		
Roosevelt Square Phase 1A	ABLA		
Rockwell Gardens Phase 1-B	Rockwell Gardens		
Westhaven Park Phase IIa2	Governor Henry Horner Homes		
Park Boulevard & all remaining phases	Stateway Gardens		
River Village North & South	Francis Cabrini Extension North		

In FY2004, the CHA created the Minimum Tenant Selection Plan for Mixed-Income/Mixed-Finance Communities (MTSP). The MTSP serves as a guide for working groups as they create new site-specific tenant selection plans. A public comment period and a public comment hearing were held for the MTSP prior to the CHA Board of Commissioners' approval on September 21, 2004.

Building Closure and Demolition

Before construction can begin on-site, the land must be cleared of existing structures. Therefore, the existing CHA-owned and occupied buildings must be closed and demolished. Once a building has been identified for closure, the CHA works with current residents to educate them about their temporary and permanent housing options and strives to afford them a smooth transition from their current home to their temporary or permanent home. Buildings will not be closed until lease-holding residents have been notified of the building closure and have relocated. For more details on temporary relocation or building closure in FY2004, please see Chapter 3: Supporting Residents Through Relocation.

¹ Residents have the option of choosing to relocate to another public housing unit, the private market using a Housing Choice Voucher, or to an unsubsidized unit.

<u>Infrastructure</u>

Redevelopment plans include proposed street grids, updated utility infrastructure, new or upgraded public facilities, and landscaping/green space. The CHA and the master developer collaborate with various City of Chicago Departments, Sister Agencies, and utility companies to develop the plans for infrastructure. Given that the infrastructure improvement needs vary for each site, the CHA works with City departments and utility companies to assess current infrastructure and create site-specific plans for installing new or updating existing systems. Improvements can include upgrades to sewer and water lines that normally occur before unit construction, as well as new public parks, public schools, and police stations.

Closing the Real Estate Transaction

The real estate transaction closing is a significant milestone in the creation of mixed-income communities. The closing signifies that HUD approved the legal documents, the TSP, and the lease; that financial papers and planning documents are fully executed; and that an adequate source of funding for the phase of redevelopment is available. After the real estate transaction closing takes place, construction may begin. Through hard work and lessons learned from past experiences, the CHA closed six real estate transactions in FY2004. The CHA has completed 29 closings since the beginning of the Plan.

Mixed-Income Community Real Estate Transaction Closings FY2004				
Mixed-Income Community	Original CHA Site	Month Real Estate Transaction Closed		
Oakwood Shores 1-A	Madden Park Homes/Ida B. Wells Homes & Extension/Clarence Darrow Homes	March 2004		
Legends South C-1	Robert Taylor Homes	April 2004		
Jazz on the Boulevard	Lakefront Replacement Housing	August 2004		
One South Leavitt	Rockwell Off-site	August 2004		
Roosevelt Square Phase 1A	ABLA	September 2004		
Westhaven Park Phase II a 2	Governor Henry Horner Homes	December 2004		

Construction

Construction may finally begin after the real estate transaction closing. In FY2004, the CHA broke ground at five mixed-income sites: Roosevelt Square Phase 1, Jazz on the Boulevard, Oakwood Shores Phase 1-A, Legends South Phase C-1, and Westhaven Park Phase IIa2. The construction process typically takes 18 to 24 months from the date of the real estate transaction closing until the first unit is transferred to the CHA. The units delivered in FY2004 were the result of a record nine real estate transactions closed in FY2003 and successful closings completed in earlier years. FY2004 was the first year that units were under construction at ten major mixed-income redevelopment sites.

Preparing for Leasing

Once units are completed, the CHA receives a Certificate of Occupancy (COO). However, building exterior and common area work may not be completed at the same time. For more details on leasing in FY2004, please see Chapter 6: Operation of Chicago's Public Housing.



The foundation work for the 414 units of Roosevelt Square Phase 1 began soon after the real estate closing in September 2004.



Praised as a national model for public housing transformation, the developers of Westhaven Park Apartments, Brinshore Development of Northbrook and Michaels Development Company of New Jersey were awarded the Chicago Neighborhood Development Award for Outstanding For-Profit Neighborhood Real Estate Project for 2005, by the Local Initiatives Support Corporation of Chicago (LISC). The award recognizes a for-profit developer for a real estate project that has contributed significantly to the enhancement of the community.

GRACE ABBOTT HOMES, ROBERT H. BROOKS HOMES & EXTENSION, LOOMIS COURTS, AND JANE ADDAMS HOMES (ABLA)

Street Boundaries: Cabrini/Blue Island/16th/Ashland

Roosevelt Square Phase 1

FY2004 marked the first year of construction at Roosevelt Square which, at completion, will feature 2,441 public housing, affordable, and mixed-income units and be one of the CHA's largest new mixed-income communities. In FY2004, HUD approved the Phase 1 Rental Term Sheet, Mixed-Finance Proposal, and evidentiaries. With these and other necessary approvals from the CHA Board and the City of Chicago, the CHA closed the real estate transaction for Roosevelt Square Phase 1 in September and started construction. Phase 1 will contain 414 units in low-rise buildings, of which 125 units will be public housing. In FY2004, the CHA secured building permits for Phase 1 from the Chicago Department of Construction and Permits (DCAP). The City of Chicago worked on the construction of new utility and street infrastructure throughout the year at the Phase 1 site. The ceremonial groundbreaking, the opening of the on-site sales center, and the marketing launch of the homes for sale at Roosevelt Square in November culminated an eventful year.

In tune with the redevelopment of ABLA, additional private and public redevelopment activity has occurred in the neighborhood. In FY2004, the Public Building Commission of Chicago continued converting the small recreational building and adjacent community center at nearby Fosco Park into a state-of-the-art 57,000 square-foot facility. This new Fosco Park Community Center, which is expected to open in FY2005, will provide recreational activities and day care services for residents of Roosevelt Square and the community.



Roosevelt Square



Roosevelt Square Groundbreaking

FRANCIS CABRINI EXTENSION NORTH

Street Boundaries: Clybourn/Larabee/Division/Oak

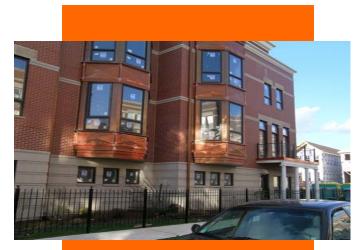
The CHA is committed to providing 700 public housing units in the Cabrini Extension North area by the end of the Plan for Transformation. In FY2004, the redevelopment of the off-site mixed-income communities for Cabrini Extension North continued.

Old Town Village West, East I & II

The second year of unit delivery at the Old Town Village East and West communities yielded 20 new public housing units for relocating families in FY2004. The 12 public housing units at Old Town Village West, four units at Old Town Village East I, and four units at Old Town Village East II feature new appliances, kitchen cabinets, bathrooms, and in-unit laundry hook-ups. At year's end, more than 20 additional units were under construction at the three sites.

River Village North & South

The CHA will acquire 43 units at the mixed-income community of River Village in FY2005. In preparation for the acquisition, the CHA held a 30-day public comment period for the tenant selection plan and lease of River Village's in FY2004. In addition, HUD approved the Redevelopment Agreement and Rental Term Sheet for River Village North.



Old Town Village



River Village

FRANCIS CABRINI EXTENSION SOUTH

WILLIAM GREEN HOMES & 1230 N. BURLING

Street Boundaries: Orleans/Hudson/Wendell/Chicago

Street Boundaries: Larrabee/Halsted/Clybourn/Division

The CHA and Cabrini-Green Working Group began planning the redevelopment of Francis Cabrini Extension South, William Green Homes, and 1230 N. Burling sites in FY2004. The Cabrini-Green Working Group selected the urban planner that will be responsible for devising a redevelopment plan for the three sites. The CHA also held a series of public meetings which were attended by Cabrini-Green residents and members of the community to discuss the draft alternate plans. The Cabrini-Green Working Group also met a number of times in FY2004 with the urban planner to discuss and comment on the draft redevelopment plans.



Young CHA residents enjoyed the Annual Bud Bulliken Back-to-School Parade in the summer of 2004.

RAYMOND M. HILLIARD CENTER

Street Boundaries: Cullerton/Cermak/State/Clark

Located just south of the Loop, the rehabilitation of the Raymond M. Hilliard Center is divided into two phases that each contain one family building and one senior building. The Hilliard Center will feature 349 affordable units, 188 senior public housing units, and 117 family public housing units upon completion.

Phase 1

Construction work on the family and senior buildings in Phase 1 was completed in FY2004. By the end of the year, the extensively rehabilitated units of Phase 1 were leased-up and the CHA's efforts to provide quality housing materialized as seniors and families moved into substantially rehabilitated units and buildings. Site work such as installation of a new site security access system, including a new secured parking lot on Cullerton Street was also completed in FY2004.

Phase 2

With Phase 1 complete, construction efforts were shifted to Phase 2. The senior and family buildings of Phase 2 were closed, and families moved out in preparation for the rehabilitation. Similar to Phase 1, the units in Phase 2 will have redesigned floor plans as well as new floors, walls, kitchen cabinets, and appliances. New plumbing, heating systems, and ADA-accessible units are also part of the Phase 2 plans. In FY2004, the CHA created an initial budget and project timeline as well as prepared the Rental Term Sheet and the Mixed-Finance Proposal, which were approved by the CHA Board in October 2004 and by HUD in November 2004. Construction on the second phase of rehabilitation at the Hilliard Center will begin in FY2005.



Raymond M. Hilliard Center Rehabilitation

GOVERNOR HENRY HORNER HOMES

Street Boundaries: Lake/Washington/Hermitage/Oakley

New private residential condominiums, restaurants, a grocery store, and other retail outlets began opening on the city's west side in FY2004, coinciding with the redevelopment of Henry Horner Homes into the mixed-income community, Westhaven Park. As with most mixed-income communities, the comprehensive redevelopment of Henry Horner Homes was divided into several phases, three of which were active in FY2004.

Phase IIa1

The largest mixed-income public housing unit delivery of FY2004 occurred at Westhaven Park Phase IIa1. Seventy-nine (79) public housing units were delivered and the CHA assisted families in relocating to the units throughout the year.

Phase IIa2

The Henry Horner Homes Working Group and Development Team made significant progress on Phase IIa2 in FY2004. This phase will be comprised of a midrise condominium building with 34 public housing units and low-rise buildings containing for-sale units. In preparation for the real estate transaction closing, the Mixed-Finance Proposal was submitted to HUD and received approval paving the way for the real estate transaction closing in late December 2004.





Westhaven Park

Phase B

Planning of Phase B commenced in FY2004. The working group finalized the site plan, unit mix, and building elevations which were submitted to the Chicago Department of Planning and Development (DPD) for approval. The CHA will start meetings with the City of Chicago in FY2005 to coordinate work schedules for the construction of infrastructure and financing.

LAKEFRONT REPLACEMENT HOUSING

The former Lake Michigan Homes is being replaced with a total of 441 public housing units in Lake Park Crescent (120 units), Jazz on the Boulevard (30 units), and 291 Scattered Site units in the North Kenwood/Oakland Community.

Lake Park Crescent

Street Boundaries: 41st/43rd/Oakenwald/Lake Park

Lake Park Crescent will be a 490-unit mixed-income community of townhouses, mid-rises, and condominiums when complete. Construction of Rental Phase 1 of Lake Park Crescent concluded in FY2004 and the 60 public housing units in this phase were delivered. The CHA families who moved into this community in FY2004 now enjoy two of Chicago's most beautiful views: Lake Michigan and the city's skyline. Also in FY2004, the working group began planning the construction of the market-rate home ownership phase at Lake Park Crescent.

Jazz on the Boulevard

Street Boundaries: 41st/43rd/Drexel/Cottage Grove

Jazz on the Boulevard leapt from plans on paper to concrete results in FY2004. In August, the CHA closed the real estate transaction and soon began the construction of the townhouses and mid-rises that make up this community. The first of 30 public housing units will be delivered in FY2005. When complete, Jazz on the Boulevard will be comprised of 137 public housing, affordable, and market-rate units with amenities such as decks, balconies, in-unit laundry hook-ups, a central walkway with gardens, and landscaping along newly created streets.



Lake Park Crescent



Jazz on the Boulevard

Scattered Sites Units in North Kenwood/Oakland Community

Street Boundaries: Various

The CHA rehabilitated 106 scattered site units in the North Kenwood/Oakland Community at the beginning of the Plan for Transformation. In addition to these completed units, the CHA has acquired units in the 45-unit Hutchinson's Row mixed-income community. Two units were acquired in FY2004 for a total of 17 public housing units. Eligible public housing families relocated into the acquired units.



MADDEN PARK HOMES/IDA B. WELLS AND EXTENSION/CLARENCE DARROW HOMES

Street Boundaries: 35th/Pershing/Martin Luther King Drive/Ellis

In FY2004, the first CHA families moved into Oakwood Shores built on the footprint of the former Clarence Darrow Homes. Planning, construction, and unit delivery were completed in FY2004 for three phases of redeveloped Madden Park Homes/Ida B. Wells and Extension/Clarence Darrow Homes.

Oakwood Shores Phase 1-A

In the spring of FY2004, the real estate transaction for Phase 1-A closed, and construction began on 63 public housing units. The phase consists of 21 buildings, including rowhouses, six, and nine-unit buildings. The May 2004 groundbreaking for Phase 1-A was the first of the CHA's groundbreaking ceremonies in FY2004. CHA residents moved into the 11 revitalized homes delivered at Oakwood Shores in FY2004.

Oakwood Shores Phase 1-B

The CHA achieved the crucial objective of securing financing for Phase 1-B in FY2004. The developer prepared a development budget; requested and received disbursement of predevelopment funds; and received Low-Income Housing Tax Credits (LIHTC), and Federal Home Loan Bank (FHLB) Affordable Housing Program (AHP) awards. Both programs encourage the planning and creation of affordable rental housing through the generation of equity capital for construction and rehabilitation. A Tax Increment Financing (TIF) application was also submitted to the Chicago Department of Planning and Development (DPD) for Phase 1B and received Community Development Commission (CDC) approval.



Oakwood Shores Groundbreaking

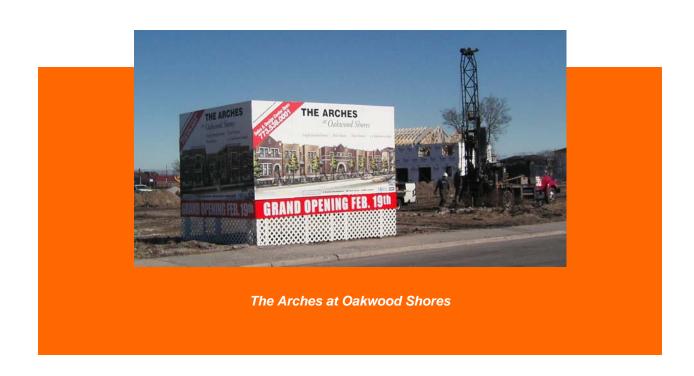


Oakwood Shores

The CHA completed design and construction documents for Phase 1-B in FY2004 and will submit the Rental Term Sheet and building permits in FY2005 in preparation for the real estate transaction closing. Similar to Phase 1-A, Phase 1-B will feature 63 public housing units.

The Arches at Oakwood Shores (Phase 1 Home Ownership)

Home ownership is a vital component to the success of mixed-income communities. The Arches at Oakwood Shores is comprised of both market-rate and affordable for-sale units, 12 of which are set aside for public housing residents to purchase. In FY2004, the working group approved the architectural designs, and the Master Development Agreement for Phase 1 Home Ownership is in final negotiations. A TIF application was submitted to the Chicago DPD and the TIF developer designation was approved by the CDC.



ROBERT TAYLOR HOMES

Street Boundaries: 39th/54th/State/Federal

FY2004 was an exciting year. First, Legends South was selected as the name for the mixed-income community, and marketing signs were placed on- and off-site to announce the redevelopment activity. Second, the Salvation Army announced that it would build the 24-acre Ray and Joan Kroc Community Center near Legends South, between 47th and 50th Streets along State Street. The new community center will be the largest structure of its kind in Illinois and include amenities such as a swimming pool, a gymnasium, a computer lab, and a recreation field. The redevelopment and construction activity in FY2004 at Legends South was concentrated on Phase A-1 (on-site) and Phase C-1 (off-site).

Legends South Phase A-1

The developer completed the construction drawings and submitted the building permits for the 184 public housing, affordable, and market-rate units of Legends South Phase A-1; 83 of which will be public housing. The site-plan was partially re-designed in FY2004 to allow for an easement of fire truck ingress and egress. The Chicago City Council passed the Vacation, Dedication, and Plat of Subdivision Ordinance to create new streets and property lines for the new community. To supplement the funding for redevelopment, the City Council supported and passed the creation of a TIF district in the Robert Taylor Homes area. The CHA submitted Illinois Housing Development Authority (IHDA) funding application in FY2004 to further supplement funding for Phase A-1.



Legends South



Construction of Legends South

Legends South Phase C-1

In April 2004, the CHA closed the real estate transaction for Phase C-1, one of the four off-site sub-phases of Legends South. After a groundbreaking in July, construction was soon underway, including excavation, pouring of concrete, and site utility installation. The Chicago Department of Transportation (CDOT) completed the construction of an alley, and ComEd relocated existing utility poles. The construction of the 54 public housing units that will comprise sub-phase C-1 continued throughout FY2004, and CHA families are being prepared to move into the new units in early FY2005.



ROCKWELL GARDENS

Street Boundaries: Madison/Van Buren/Western/Rockwell

The transformation of Rockwell Gardens into a mixed-income community advanced in FY2004 and provided tangible results in the form of unit delivery and leasing. This mixed-income community will consist of a mixture of single family homes, two and three-flats, and eight-unit buildings. Of the 823 units, 264 will be public housing, 260 affordable, and 299 market-rate.

Phase 1-A

The construction of 42 rental units in Phase 1-A, which began in FY2003, culminated in FY2004. Construction was completed on the framing, roofing, and masonry work on all 14 buildings in Phase 1-A in FY2004. The 14 public housing units in Phase 1-A were transferred to the CHA for occupancy by public housing families. In turn, the CHA began to relocate families who chose the redeveloped Rockwell Gardens as their final housing choice.

Phase 1-B

Phase 1-B construction will occur both on- and off-site and, upon completion, will deliver 57 new units for CHA public housing families. In FY2004, the CHA prepared for the real estate transaction closing scheduled for FY2005. In addition to finalizing construction drawings, obtaining building permits, and receiving approval for building elevations and floor plans, new investors were brought into the project. The Chicago City Council approved the new Rockwell Gardens Plat of Re-subdivision and Dedication and the Chicago CDC approved the transfer of ten parcels of Cityowned land to the developer as a part of the off-site component of Phase I-B. Lastly, HUD approved the Rental Term Sheet and reviewed a first draft of the Mixed-Income Finance Proposal.





Rockwell Gardens Redevelopment

STATEWAY GARDENS

Street Boundaries: 35th/39th/State/Federal

The redevelopment of Stateway Gardens will occur in several phases and will result in 439 public housing units both on and off-site. In FY2004, activity was underway at two sites: The Pershing and Park Boulevard.

The Pershing

In FY2004, the CHA completed construction of the building foundations, concrete flooring, roof enclosures, and superstructure. The steel framing and masonry veneer was installed, and by year's end the exterior was complete and interior construction had begun. Given that construction of The Pershing is scheduled to end in FY2005, the CHA began preparing residents to move into the 27 public housing units at this mixed-income community in FY2004.

Park Boulevard

Pre-construction work such as sewer infrastructure, site restoration, utility relocation, construction documents, and building permit applications were completed at Park Boulevard. The City Council approved the new Stateway Gardens TIF District Designation, the TIF Redevelopment Agreement, and the street Vacation, Dedication, and Plat of Subdivision. In addition, the CHA held a public comment period and hearing and obtained Board approval for the TSP and lease for this phase and all subsequent phases of Stateway Gardens' redevelopment. In preparation for unit completion and leasing, the developer launched the Park Boulevard website and opened a marketing center to the public to offer information about Park Boulevard amenities.



The Pershing



Park Boulevard

WASHINGTON PARK HOMES

Street Boundaries: Various

St. Edmund's Meadows

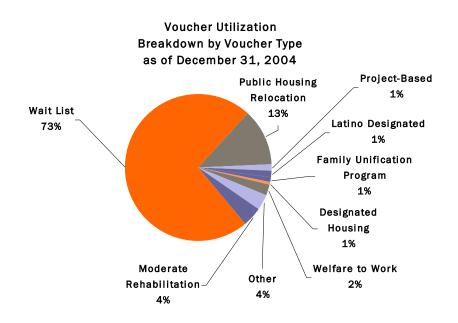
St Edmund's Meadows is a mixed-income community that will provide a total of 56 rehabilitated three and four bedroom rental units, 14 of which will be public housing units. The CHA originally projected that all 14 units would be delivered in FY2004; however, there were construction delays and these units are expected to be completed in FY2005. The CHA collaborated with the developer throughout FY2004 and will continue to do so in FY2005 to promote unit delivery. In FY2004, the developer began marketing efforts and identifying tenants for the affordable and market-rate units in preparation for leasing activities in FY2005.



CHAPTER 2: ENHANCING AFFORDABLE HOUSING OPPORTUNITIES

As the CHA's largest housing program, the Housing Choice Voucher (HCV) Program provides the most opportunities for low-income Chicago families to locate and obtain quality, affordable homes in the private market across the City of Chicago. In FY2004, the CHA re-contracted with CHAC, Inc. to serve as the contract administrator of the HCV Program. In this capacity, CHAC, Inc. evaluated family eligibility for participation in the HCV Program, inspected units using HUD-established standards, and processed payments to unit owners renting to program participants. While the HCV Program has served as a relocation resource for public housing families, the HCV Program also serves as a viable housing option for low-income families above and beyond the Plan for Transformation.

The CHA offers two types of voucher assistance: tenant-based and project-based. Tenant-based vouchers are issued to HCV Program participants who rent units in the private market by using an HCV to pay the difference between fair market rent and their own contribution to rent, which is up to 30% of their adjusted annual income. The voucher is provided to the property owner by the HCV Program Administrator in the form of a monthly Housing Assistance Payment (HAP). Project-based vouchers are issued to the property owner for units that must be rented to eligible families. The project-based vouchers are subsidies that remain with the unit and cannot be transferred with tenants who move to a different building.



MANAGEMENT INITIATIVES

Housing Choice Voucher, Project-Based Voucher, and Moderate Rehabilitation Programs Administrative Plan

The Housing Choice Voucher, Project-Based Voucher, and Moderate Rehabilitation Programs Administrative Plan (Administrative Plan) was revised in the fourth guarter of FY2004 to:

- Remain consistent with Federal, state, and local laws;
- Revise language for improved clarity; and
- Update administrative procedures.

The revisions were incorporated into a draft Administrative Plan which was submitted for a 30-day public comment period in late FY2004. After the comments were reviewed, the Administrative Plan was submitted to the CHA Board of Commissioners in December 2004 and approved.

Satellite Offices

In FY2004, two new Satellite Offices were opened in the west and southeast regions of the city bringing the total number of Satellite Offices to three. The Satellite Offices offer many of the same services as the main HCV Program office including property owner, landlord, and tenant education as well as outreach for special HCV Programs.

HCV Program Website

Throughout FY2004, the HCV Program website (www.chacinc.com) continued to serve as a valuable resource to program participants, property owners, managers, and the general public. The website features a unit search tool for tenants, a unit listing tool for property owners, and information on the Family Self-Sufficiency and Choose to Own Programs. In the third quarter of FY2004, a forms section was added to the website which contains HCV Program forms, owner and tenant guides, and program brochures.



The CHAC website is a valuable information tool accessible via the internet, 24 hours a day.

HOUSING CHOICE VOUCHER PROGRAM

Tenant-Based Voucher Assistance

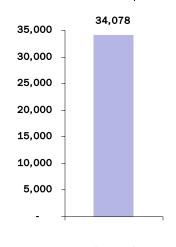
As of December 31, 2003, there were 33,138 tenant-based vouchers leased through the HCV Program. By December 31, 2004, the number of leased tenant-based vouchers had risen to 34,078.

Voucher Leasing Activity

To obtain a tenant-based voucher, families must go through a screening process. Applicants on the HCV wait list, Latinos United wait list, and families relocating from public housing must schedule interviews with HCV Program Administrator staff. Staff then evaluates each individual family's eligibility based upon HCV Program requirements. Once eligibility is determined, a voucher is awarded to the family, and they may begin to look for a home that meets their needs. The CHA and the HCV Program Administrator provide voucher holders with a number of additional resources as they search for their new home including maps of the city, listings of available properties, and tips for choosing a unit. All families are invited to participate in Explore Chicago Tours. These tours are led by knowledgeable staff who provide tour goers with information on each neighborhood explored, including public transportation routes and area schools. During FY2004, Explore Chicago Tours were held on the north, south, and west sides of the city.



Actual Tenant-Based Voucher Utilization As of December 31, 2004



Leased Vouchers

Applicants and families relocating from public housing are interviewed by HCV Program Administrator staff to evaluate each their eligibility for the program.

After finding a unit that meets the family's needs, HCV Program inspectors conduct a pre-contract Housing Quality Standards (HQS) inspection of the unit to ensure that the family will live in safe, quality housing. In FY2004, the HCV Program Administrator instituted a schedule of regular Saturday inspections to better meet the needs of property owners, managers, and tenants. To further meet the needs related to inspections, the HCV Program Call Center was reorganized during the year. The reorganization increased functionality in a number of areas including scheduling inspections and releasing inspection results. Property Managers and tenants can now receive an estimated time of arrival on the day of their inspection and can contact the Call Center for questions or concerns on inspections.

Once the unit passes inspection, the family signs a lease for the unit.



HCV Program inspectors conduct pre-contract inspections, annual inspections, as well as meet with potential landlords to ensure that residents will live in safe, quality housing.

Voucher Leasing Activity FY2004			
Applicants invited from the wait list ¹	-		
Applicants invited from other programs ²	2,380		
Initial interviews scheduled			
(includes initial and rescheduled interviews)	2,758		
Initial interviews conducted	2,506		
Number of applicants determined eligible	2,412		
Vouchers issued			
(includes vouchers reissued to participants who did not find a unit in			
FY2003)	2,336		
Requests for inspections received	2,391		
New HAP contracts executed 1,96			

¹Applicants were not invited from the wait list in FY2004.

²This includes applicants from the public housing relocation program, special admissions, and moderate conversion.

HCV FY2004 Management Benchmarks and Performance

HUD has consistently rated the CHA's HCV Program as a high-performer based upon Section Eight Management Assessment Program (SEMAP) benchmarks. These benchmarks assist the CHA in evaluating the HCV Program Administrator's success and compliance with the HCV Program Administrative Plan. FY2004 was another successful year for the HCV Program as shown below in the FY2004 benchmarks and performance chart.

Categories	FY2004 Benchmarks	FY2004 Performance
Selection from the Waitlist	At least 98% of applicants will be selected in accordance with prescribed policies.	No applicants were selected from the wait list in FY2004 in order to maintain a lease-up rate near 100%. All applicants from public housing and special admissions were selected in accordance to prescribed policies.
Rent Reasonableness	At least 95% of rents will be based on current rents for comparable unsubsidized units.	In FY2004, at least 95% of rents were based on current rents for comparable unsubsidized units.
Determination of Adjusted Income	At the time of admission and annual re-examination, at least 90% of families will have their annual income accurately verified.	The HCV Program Administrator uses a large quality control sample to confirm that program participants' annual income is accurately verified by a third-party. Of the sample cases, 94% had their income verified accurately by a third-party or documentation as to why a third-party verification was not available.
Utility Allowance Schedule	Utility rate data will be reviewed on an annual basis. If there is a change of 10% or more in the utility rate, the utility allowance will be adjusted.	The Program Administrator reviewed its utility rate data and found that an adjustment was needed. The adjusted utility rate went into effect on October 25, 2004.
Housing Quality Standards Enforcement	100% of units cited for life-threatening HQS deficiencies will be corrected within 24 hours. At least 98% of units cited for non-life threatening HQS deficiencies will be corrected within 30 days. Those units cited for HQS deficiencies but not corrected within the appropriate timeframe will have their HAP abated or the tenant will be notified within 24 hours of the CHA's intent to terminate the HAP contract.	100% of units cited for life-threatening deficiencies and 98.4% of units cited for non life-threatening deficiencies were addressed on time, either by the unit passing inspection; HAP being abated on time; or the tenant was notified with 24 hours of the CHA's intent to terminate the contract.
Expanding Housing Opportunities	At least 45% of families in the Housing Opportunity Program will move to low-poverty areas.	46% of Housing Opportunity Program moves in FY2004 were to low-poverty areas.

Categories	FY2004 Benchmarks	FY2004 Performance	
Payment Standards	The CHA payment standards are used to ensure that rents paid by HCV participants are equivalent to the fair market rent paid in Chicago. Annually, HUD publishes the Fair Market Rent (FMR) for Chicago, which is the average monthly rent for a unit based on the number of bedrooms. The CHA will establish payment standards to ensure that rent amounts for all participants are between 90% and 110% of FMR.	FY2004 payments standards were set between 90% and 110% of FMR.	
Annual Re-examinations	At least 95% of participants will be reviewed every 365 days for suitability and eligibility for continued occupancy.	99.6% of participants were re-examined on time for suitability and eligibility.	
Correct Tenant Rent Calculations	At least 98% of participants will have their rent calculated accurately in accordance to their income.	92% of the tenant's rents reviewed in the quality control sample were found to be accurately calculated in accordance to their income. The CHA and HCV Program Administrator are implementing procedures to increase the percentage of rents accurately calculated.	
Pre-Contract HQS Inspections	At least 98% of newly leased units will pass a Housing Quality Standards (HQS) inspection on or before the beginning of a lease.	100% of the newly leased units passed their HQS inspection on or before the beginning of the lease.	
Annual HQS Inspections	At least 95% of all units under contract will be inspected annually and on-time.	99.6% of the units under contract received their annual inspection on time.	
Quality Control File Review	At least 5% of participant files will be reviewed for quality control annually.	In FY2004, at least 5% of participant files were reviewed for quality control.	
Lease-up	At least 98% of all HCV and Moderate Rehabilitation units allocated for more than one year are leased in accordance with the approved leasing schedule.	At least 98% of the units allocated for more than one year were leased in accordance with the approved leasing schedule.	
Family Self-Sufficiency Program Enrollment and Escrow Accounts	At least 1,500 families will be enrolled in the FSS program of which 50% will have earned income (51% or more of total income derived from wages)	1, 525 families were enrolled in the FSS Program as of December 31, 2004. Of these families, 295 were families relocating under and the Plan for Transformation and 56.7% of the enrolled families have an earned income.	

OPPORTUNITY KNOCKS Weet the Fultons MAINSTELL INC. SCUTT How to safet the right neighborhood for you and your family Experience for the scutt file of Chicago MORE INSIDE A step-by-step guide to morthing Kape spirite high and strong local during your more Regularizes for pooles of the strongs

"Opportunity Knocks" Magazine

The first three editions of "Opportunity Knocks" Magazine were published in FY2004. Opportunity Knocks provides HCV Program participants with information on the Housing Opportunity Program, recommendations when searching for a unit, a resource contact page, and a map of Opportunity Areas throughout Chicago.

In October 2004, the CHA's HCV Program was awarded several National Association of Housing and Redevelopment Offices (NAHRO) 2004 Agency Awards of Merit for its innovative best practices including:

- CHAC Training Program for Employees*
- Choose to Own Home Ownership Program
- Communication Strategies and Tools
- Deconcentration Strategies
- Latino Partnership Initiative Program
- Owner Resource Council
- Performance Tracking System*

*Also nominated for a NAHRO Award of Excellence



Additional HCV Programs and Counseling

All HCV Program participants have access to housing counselors who assist families as they search for a unit and provide information on tenants' rights. Above and beyond this counseling, additional support in a number of areas including moves to lower-poverty areas, achieving self-sufficiency, accessing job opportunities, and increasing unit accessibility by persons with disabilities is available.

Housing Opportunity Program

In FY2004, the Housing Opportunity Program provided specialized counseling and unit search assistance to families interested in moving to lower-poverty neighborhoods. With the assistance of the Housing Opportunity Program, HCV Program participants who live in a high-poverty area are encouraged and helped move to an Opportunity Area (a census tract where less than 23.49% of the families live below the poverty level). As a result of the Housing Opportunity Program, 545 families successfully relocated to a low-poverty neighborhood.

Housing Opportunity Program Activity FY2004	
Number of Housing Opportunity Program Participants	1,361
Total Number of Housing Opportunity Program	
Participants who moved	1,177
Number of Housing Opportunity Program Participants who	
moved to low-poverty area	545
Percentage of Housing Opportunity Program Participants	
who moved to a low-poverty area.	46%

Family Self-Sufficiency Program

The Family Self-Sufficiency (FSS) Program helps families achieve financial independence. FSS Program participants identify goals associated with financial independence such as obtaining a job, furthering their education, or purchasing a home. During the five year program, families work with client service representatives and employment development specialists to develop a detailed action plan. The action plan contains a list of specific activities and services needed to achieve the families' respective goals. Through the FSS Program, families can obtain services and referrals on topics such as skills assessment testing, career planning and counseling, employment services, job readiness workshops, vocation training, GED preparation, education programs, and child care.



FSS participants identify educational, financial, and career goals such as starting their own business like the participant pictured here.

FY2004 Family Self-Sufficiency Activity			
		Percentage of Total	
Activities	Participants	Participants	
Participants with an escrow balance	660	43%	
Employed	864	57%	
Living in low-poverty areas	775	51%	

As FSS Program participants move towards their goals, they often experience an increase in their income which, in turn, results in an increase in their portion of monthly rent. To encourage participants to continue in the FSS Program despite rent increases, each family has an individual escrow account. The FSS Program deposits an amount equal to the rent increase into their escrow account. Upon graduation from the FSS Program, families receive the deposited funds, plus interest. As of December 31, 2004, there are 1,525 FSS Program participants with a combined escrow balance of \$1,889,882.

Choose to Own Home Ownership Program

FSS Program participants who identify purchasing a home as a goal have the option of entering the Choose to Own Home Ownership Program. In lieu of applying Housing Assistance Payments and the family's monthly contribution to rent, the funds are applied towards the participant's mortgage. The Chicago Department of Housing offers additional support for eligible Choose to Own participants with disabilities. To qualify, HCV Program participants must be in compliance with HCV Program rules and;

- Enrolled in the FSS Program;
- A first-time homebuyer or not have owned a home for the last three years;
- Earn at least \$10,200 annually from employment or business; and
- Complete a pre-purchase counseling program.



The Choose to Own Home Ownership Program assisted 41 families in purchasing their own home in FY2004.

The CHA established an aggressive FY2004 goal of 50 families closing on a home. This goal was nearly met with 41 families purchasing their own home through the program. From the Choose to Own Program's inception in FY2002 through the end of FY2004, a total of 96 families have closed on a home at an average purchase price of \$131,363.

FY2004 Choose to Own Home Ownership Program Activity			
Grouping	Goal	Actual	
Applicants to the program	200	429	
Participants completing pre-purchase counseling	80	90	
Participants pre-qualified by a bank	60	69	
Total number families purchasing a home	50	41	

Connections '04- CHAC Job Fair and Personal Development Conference

On September 18, 2004, CHAC, Inc. held Connections '04- CHAC Job Fair and Personal Development Conference for HCV Program participants and their families. Connections '04 linked program participants with employers, resources, and other information to assist them in reaching their personal goals. Over 30 employers and not-for-profit organizations and 120 HCV Program participants attended the conference which included sessions on time management, credit repair, investing, and interviewing skills.

Modification Fund

The Modification Fund, administered by Access Living, provides grants up to \$5,000 for HCV recipients who require an accessible unit. During FY2004, 61 families submitted a request to the Modification Fund to make alterations to their unit in order to make it accessible. Fifty-six requests were approved and work was completed during the year. Some of these modifications included installation of flashing door bells and fire alarms, exterior and interior motorized lifts, and lowering of cabinets. All work was done by licensed, bonded contractors at no cost to the owner.

Property Manager and Owner Outreach

Regular communication with current and potential HCV Program property managers and owners is essential to the success of the CHA HCV Program. This communication facilitates the ability of the CHA and the HCV Program Administrator to provide HCV Program participants with access to a variety of quality, affordable homes throughout the City of Chicago. In FY2004, the property manager and owner outreach activities included an Owner Resource Council, Landlord Outreach Specialists, an owner newsletter, and training sessions.

Owners and property managers receive training and professional development to assist them in improving their management skills.

Owner Resource Council

During FY2004, the Owner Resource Council met on a monthly basis to address the needs of owners. The Council, composed of 13 members who rent units to HCV Program participants, met with the CHA and HCV Program Administrator staff to suggest owner and tenant training topics, raise concerns about program operation, and review the resources available for unit owners.

Landlord Outreach Specialists

During FY2004, Landlord Outreach Specialists contacted property owners and managers with units in low-poverty neighborhoods to reinforce established relations and develop new ones. Through their efforts, 649 new property owners with 1,001 units in low-poverty neighborhoods were added to the HCV Program in FY2004.

Owner News

Owners and property managers also received the monthly publication "Owner News" in FY2004 which provided information on training sessions, HCV Program Administrator contact information, property management tips, and tax-saving opportunities.

Landlord and Owner Training

HCV Program landlords and property owners had the option of attending a variety of seminars, workshops, and orientations throughout FY2004. Property Management Seminars were hosted by the Community Investment Corporation and attended by 748 landlords and property owners who received information on HCV Program basics and property certification. Seven hundred and twenty (720) landlords and owners attended CHAC, Inc. Owner Workshops and Orientations, which covered a variety of topics in FY2004 including:

- Rent determination;
- Outreach to owners of multiple units;
- Lead risks;
- Protecting assets;
- HOS:
- Tax savings; and
- Landlord/Tenant law.

OwnerNew

PROJECT-BASED VOUCHER ASSISTANCE

In addition to providing Housing Choice Voucher assistance, the CHA has a Project-Based Voucher (PBV) Program that serves to increase the number of affordable, quality units available to low-income families. PBVs are issued to a unit owner and not to the tenant like HCVs. By utilizing a project-based voucher, the unit owner has a reliable income stream that can be used to maintain the unit and in some cases, rehabilitate or develop buildings. As of December 31, 2004, 2,260 PBVs were allocated. Of those, 1,964 PBVs were leased culminating in a lease-up rate of 86.9%.

Project-Based Voucher Utilization as of December 31, 2004			
Туре	Leased	Allocated	Percentage of Allocated Vouchers Leased
Moderate Rehabilitation	458	490	93.5%
Project-Based Certificates	1506	1770	85.1%
Total Project-Based Vouchers	1,964	2,260	86.9%

Project-Based Voucher Issuance for Development

PBV are used by developers of newly constructed and substantially rehabilitated housing to provide new housing options for lower-income families. In FY2004, the CHA Board of Commissioners approved the allocation of PBVs to various housing developers of low-income housing over the next several years. Once construction on the buildings is complete, eligible low-income families will be able to move into the units. In additional to these PBVs, the CHA participated in two local initiatives during FY2004: the Chicago Supportive Initiative and the Regional Housing Initiative.

Chicago Supportive Housing Initiative

In December 2004, the Board of Commissioners approved participation in the Chicago Supportive Housing Initiative. Through the Chicago Supportive Housing Initiative, the CHA is working in collaboration with the Chicago Department of Housing, the Chicago Department of Human Services, Chicago Department of Planning and Development, and the Mayor's Office of Workforce Development to preserve existing Single Room Occupancy units in Chicago and facilitate the creation of affordable, permanent housing with needed on-site social services. The services will focus on issues that affect lease-compliance in traditional low-income or public housing programs. The CHA Board of Commissioners allocated 313 project based vouchers for Supportive Housing Initiatives.

Regional Housing Initiative (RHI)

In FY2001, the Chicago, Cook, and Lake County Housing Authorities, and the Metropolitan Planning Council (MPC) began a collaboration named the Regional Housing Initiative (RHI) which is designed to increase the amount of affordable housing near jobs and transportation centers across the region. Each of the housing authorities pools a portion of their individual PBV allocations to provide subsidies to housing developers. Lower-income families are able to afford the substantially rehabilitated or newly developed units because the subsidy reduces their portion of the rent. Developers who are awarded RHI vouchers can leverage them to attract additional state and local funding, including Low-Income Housing Tax Credits from the Illinois Housing Development Authority (IHDA). Each year, developers are invited to submit proposals for RHI funds. During the fourth round of requests for proposals in FY2004, the RHI Program Selection Panel selected the 21-unit Argyle Apartments in the Albany Park neighborhood to receive RHI vouchers. MPC also conducted extensive outreach to encourage more developers to submit proposals for future voucher awards.

CHAPTER 3: SUPPORTING RESIDENTS THROUGH RELOCATION

More than half of the units slated for redevelopment or rehabilitation were complete by the end of FY2004, making it a busy year for relocation activities. The CHA continued to guide residents through the relocation process and provide them with the information and resources necessary to make housing choices that are best for their families. The CHA kept residents informed about the relocation process; worked with residents to update their Housing Choice Surveys; conducted 571 moves out of non-revitalized public housing units and 469 moves into final housing choices; provided residents with counseling opportunities to support lease-compliance; and tracked resident relocation through an award-winning automated system entitled CHA Systems@Work.

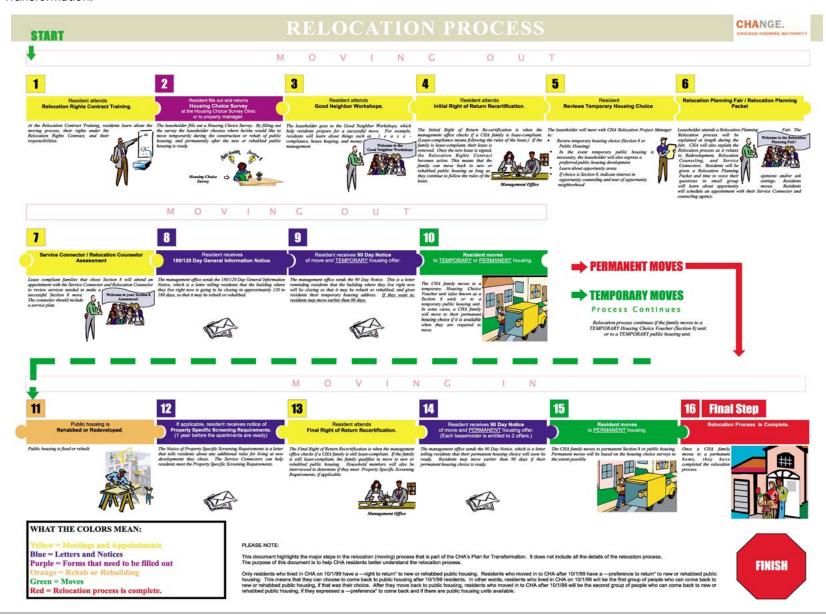
RELOCATION PROCESS

As set forth in the CHA Leaseholder Housing Choice and Relocation Rights Contract (RRC), lease compliant CHA households that were in occupancy on October 1, 1999 have the right to return to a public housing unit following redevelopment and rehabilitation. The RRC outlines the rights and responsibilities of residents, as well as the CHA's obligations during the relocation process. During FY2004, the CHA continued to fulfill these obligations by keeping residents informed about redevelopment and rehabilitation activities so that leaseholders could make the most appropriate housing choices for their families. The CHA also continued to use an independent Relocation Monitor during FY2004 to oversee the relocation process and make recommendations for improvements.



In FY2004, the CHA continued to guide residents through the relocation process. Relocation Teams were created to enhance the process and facilitate both move-out and move-in activity.

The chart below describes the relocation process at the CHA properties that are undergoing redevelopment and rehabilitation as part of the Plan for Transformation.

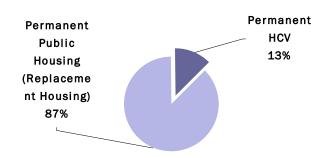


Housing Choice Surveys

In FY2001 and FY2002, most residents living in the CHA developments undergoing revitalization completed a Housing Choice Survey (HCS), in which they identified up to three sites where they would like to move temporarily, during construction, and permanently, after redevelopment and rehabilitation is complete. Residents have the choice to move either to a number of public housing communities or to the private market with a HCV.

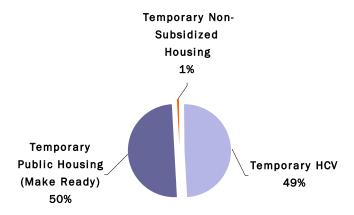
As information becomes available about units coming online or other opportunities for housing, the CHA informs residents through various methods of outreach, including home visits, letters, telephone calls, a relocation newsletter, and informational videos. As time for building closure and consolidation nears, residents have the opportunity to meet with a relocation counselor to get updated information about their options, review their housing choices, and make any changes, if desired. The CHA hosts Relocation Fairs, where residents may pick up relocation packets and the CHA staff explain the relocation process, opportunity neighborhoods, and counseling options. In FY2004, the CHA hosted Relocation Fairs at four properties: Francis Cabrini Extension; Madden Park/Ida B. Wells Homes; Robert Taylor Homes; and William Green Homes.

Housing Choice Survey: Permanent Choices as of December 31, 2004*



^{*}Based upon information entered into RMTS as of December 31, 2004.

Housing Choice Survey: Temporary Choices as of December 31, 2004*



^{*}Based upon information entered into RMTS as of December 31, 2004.

MOVE ACTIVITY

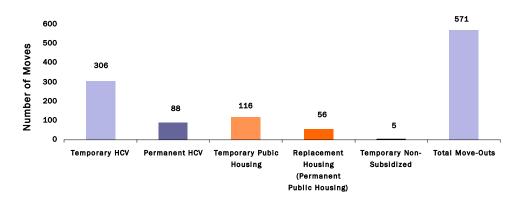
The CHA has established Relocation Teams to ensure that the relocation process and move activity at each development undergoing revitalization occurs on schedule while still meeting residents' needs. The Relocation Teams, comprised of the CHA staff and contractors, met weekly in FY2004 to manage the relocation process for each site undergoing rehabilitation or redevelopment. The team, led by a Relocation Project Manager, shared information, planned key relocation meetings and events, ensured that the process was on schedule to meet the building closure deadline, and developed solutions to resident issues. The creation of Relocation Teams allowed the CHA to enhance the relocation process and facilitate both move-out and move-in activity.

Move Outs

Property Managers send General Information Notices to the leaseholders to advise them that the building in which they currently reside is scheduled for closure during redevelopment or rehabilitation. Prior to building closure, residents also receive another notice that lists the address of their temporary housing location. During building closure, the CHA families move to their temporary housing location in a make-ready public housing unit or a unit in the private market, subsidized by a HCV. In some cases, a CHA family will move directly to their permanent housing choice if it is available at the time of building closure.

In FY2004, there were a total of 571 moves out of non-revitalized public housing units. These moves were primarily to temporary make-ready public housing units, redeveloped or rehabilitated public housing units in the private market subsidized by a HCV.





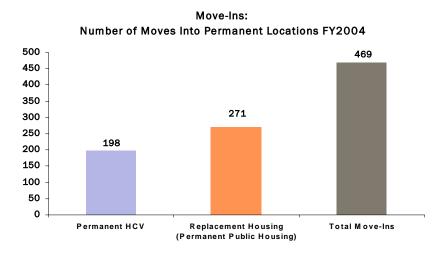
FY2004 Building Closures Mixed-Income Redevelopment/Rehabilitation Properties			
Development/Address	Total Number of Units		
Henry Horner Homes			
1850 W. Washington Ave.	65		
1920 W. Washington Ave.	65		
1900 W. Washington Ave.	65		
Raymond M. Hilliard Homes			
2030 S. State St.	174		
Robert Taylor Homes			
4947 S. Federal St.	158		
William Green Homes			
1340 N. Larrabee	144		
630 W. Evergreen Ave.	144		
714 W. Division St.	134		
TOTAL UNITS	949		

Building Closure

Buildings are selected and scheduled for closure based on physical building conditions, vacancy rates, redevelopment and rehabilitation plans, and communication with Local Advisory Council (LAC) and Central Advisory Council (CAC) representatives. The CHA keeps residents informed by conducting informational meetings and relocation fairs, providing notices of building closure or consolidation, and communicating with LAC presidents to ensure moves are conducted as smoothly as possible.

Move-Ins

With more than half of the units slated for redevelopment or rehabilitation complete by the end of FY2004, the CHA continued to invest significant resources toward leasing revitalized units and moving families into their final housing choice. During FY2004, a total of 469 families moved into their final housing choice, including 271 families who moved into redeveloped or rehabilitated public housing units and 198 families who moved into the private market with a HCV.



Each relocating household was assigned a randomized, computer-generated, Housing Offer Process (HOP) priority number. HOP priority numbers, along with family size, site-specific criteria, and a household's Housing Choice Survey determine the order in which revitalized units are offered by the CHA. As units became available for leasing throughout the year, the CHA contacted eligible families and conducted tours of the new units and communities so that families could make an informed choice regarding their final move into revitalized housing. The relocation process concluded for each family once they moved into their final housing choice and received a Final Right of Return Satisfaction notice from the CHA which indicated that their right of return to revitalized public housing had been satisfied.



More families saw the results of the rehabilitation or redevelopment of CHA properties as they moved in to renovated, modern homes.

Gautreaux Moves Program

In an on-going effort to deconcentrate poverty, the CHA started the Gautreaux Moves Program. The Gautreaux Moves Program assists public housing residents who are interested in moving to an Opportunity Area. An Opportunity Area within Chicago's city limits is defined as a census tract with a poverty rate of less than 23.49% and an African-American population of 30% or less. Outside of the City of Chicago, Opportunity Areas have a poverty rate and an African-American population of less than 10%. The CHA offers residents interested in moving to an opportunity area a chance to attend specialized counseling services offered by the Leadership Council for Metropolitan Open Communities. In FY2004, 127 families made a Gautreaux move and as of December 31, there were 540 participants in the Gautreaux Moves Program.

WORKING WITH RESIDENTS TO REMAIN LEASE COMPLIANT

Residents must remain lease compliant throughout the relocation process to retain their right to return to revitalized public housing. During FY2004, the CHA continued to communicate with residents during relocation about the availability of supportive services that assist families with remaining lease compliant. Transitional and Supportive Service counselors helped residents identify resources available to them to support their efforts to remain lease compliant, successfully prepared for and transitioned them into their new neighborhood, and, if applicable, helped residents in meeting site-specific admissions criteria. Each year, property managers conduct annual and interim re-certifications to ensure that residents remain lease compliant. If necessary, the property manager will refer non lease-compliant residents to relocation coaches or Transitional and Supportive Service counselors to help them become lease compliant.

TRACKING RESIDENT RELOCATION: CHA SYSTEMS@WORK

In FY2004, the CHA was able to more efficiently plan, monitor, accurately record, and retain or retrieve relocation activity in a consistent and timely manner because of continued enhancements to its technological environment. The CHASystems@Work Relocation Services Suite is a web-enabled series of integrated software applications specifically designed to assist the CHA's efforts in relocating residents to their temporary and permanent housing choices. The suite consists of four modules: the Relocation Management Tracking System (RMTS), Housing Offer Process (HOP), Bedroom Sizing (BRS), and the newest module added in FY2004, TheRightMovesNet.



Sharon Gist Gilliam, Chairperson of the CHA Board of Commissioners, and Barbara Banks, CHA Chief Information Officer, display the FY2004 Public Innovator Award from the Richard H. Driehaus Foundation and Government Assistance Program of DePaul University for CHASystems@Work. In FY2004, the Richard H. Driehaus Foundation and the Government Assistance Program at DePaul University awarded the CHA the Public Innovator Award for CHASystems@Work. The award honored the CHA's effort to provide for creative and unique solutions to improve service delivery, address problems, and demonstrate measurable results through the software application.

In recognition of the CHA's efforts to provide accurate, consistent, and reliable information, the RMTS and HOP software applications also received the Excellence in Information Integrity Award for Quality Improvement from Unitech Systems, Inc. and the Information Integrity Coalition. The CHA joins the ranks of previous winners including Sprint, Bank of Nova Scotia, and American Express.

Relocation Management Tracking System (RMTS) Module

RMTS electronically gathers and manages residents' housing choice selection information. The system provides a workflow mechanism to record and confirm resident relocation-related activity prior to a building's closure. The module tracks Housing Choice Survey information, resident notification distribution, leasing information, and other relocation-related activities. The system also allows for the creation of standard operational reports that assist the CHA in better managing the relocation of residents and their families.

Housing Offer Process (HOP) Module

The Housing Offer Process Module was designed to provide an electronic vehicle to manage the CHA's move-in process. The HOP module ensures that returning residents are made new housing offers in accordance with the Relocation Rights Contract and in the order established by the HOP priority numbers. The CHA is continuously enhancing the HOP module to allow for a more efficient process.

Bedroom Sizing Module

The Bedroom Sizing Module applies the CHA's Admissions and Continued Occupancy Policy (ACOP) guidelines to accurately calculate the appropriate number and size of bedrooms needed by families.



The HOP Module ensures new housing offers are made in accordance with the Relocation Rights Contract and the order established by the HOP priority numbers.

TheRightMovesNet Module

To better assist residents in the relocation process, the CHA launched www.TheRightMovesNet.net in FY2004 with financial support from the U.S. Department of Commerce. The RightMovesNet Module is a web-enabled resource information system that uses flash media, Geographic Information Systems (GIS), and three dimensional animation to aid residents in making informed relocation choices. The system is designed to provide six information resource modules on affordable housing, relocation planning, public and human services, transportation, and education. The system also features an electronic bulletin board where important notices or questions can be posted, retrieved, or answered from any place with public access.

The CHA worked with a number of partners in FY2004 to create and launch the site, including the Chicago Public Schools, Northeastern Illinois University's Center for Inner-City Studies, the Metro Chicago Information Center (MCIC), Roosevelt University, and the Central Advisory Council of the CHA.

CHAPTER 4: ACHIEVING ECONOMIC AND SOCIAL SELF-SUFFICIENCY

One of the primary goals of the Plan for Transformation is for the CHA to assist residents in moving toward economic self-sufficiency and to provide residents with increased access to supportive services. During FY2004, the CHA continued to make strides toward achieving that goal by maintaining partnerships with City of Chicago departments and agencies such as the Chicago Department of Human Services, the Chicago Department on Aging, the Mayor's Office of Workforce Development, the Chicago Park District, and the Chicago Police Department. Through these partnerships, residents have access to the Service Connector System and to Resident Service Coordinators that assist residents in the senior-designated properties. The CHA also provides residents with access to employment and job training opportunities; offers a variety of supportive programs and activities; remains committed to communicating with residents; and involves residents in efforts to create and maintain safe and viable communities.

SERVICE CONNECTOR SYSTEM

Administered by the City of Chicago Department of Human Services (CDHS), the Service Connector System is a network of well-established social service agencies that provide information, inter-agency referrals, service coordination, and case management to CHA residents. The Service Connector System's 33 offices provide residents greater access to the support available in their communities. The Service Connector System endeavors to support residents by helping them to set goals that promote family stability, that maximize their housing options, and that help families to integrate into their communities. In addition, the Service Connector System maintains an intense employment focus and engages in a number of activities to help family members obtain and retain jobs. To that end, CHA contracted service providers opened 8,496 cases in FY2004, and provided 10,899 referrals to

services.

CHA residents are invited to attend Social Service fairs to learn about the services available to them.

RESIDENT SERVICE COORDINATORS

The Resident Service Coordinator Program is a nationally established program, funded by HUD, to provide residents living in senior-designated properties with access to a variety of supportive services. Through the program, residents receive free screening for Federal, state, and local government benefits, as well as access to both social and health and wellness programs.

Benefits Screening

Through partnerships with the Chicago Department on Aging and property management companies, the CHA's Resident Service Coordinators (RSC) provided residents of the CHA senior-designated properties with free, confidential screening for government benefit programs. The RSC worked with residents to:

- Determine what services the resident needed;
- Identify programs and benefits available to residents who meet the eligibility criteria; and
- Follow-up with each resident after the screening.

Social Activities

RSCs also coordinate and provide a variety of recreational and cultural activities for residents in the senior designated properties. In FY2004, RSCs coordinated and conducted several social enrichment activities, including bingo games, trips to movie theaters, prayer breakfasts, shopping trips, jazz luncheons, an evening with Sydney Poitier, and the Annual Senior Gala.



The Honorable Richard M. Daley, Mayor of Chicago, Terry Peterson, Chief Executive Officer of the CHA, CHA staff, and CHA seniors enjoy the CHA's 2004 Annual Senior Gala.

Health and Wellness

Additionally, RSCs continued to work with residents to create a confidential care plans and reviewed these plans with residents annually. The care plans include a summary of the resident's personal history; a description of medical concerns; an evaluation of any problem areas; an assessment of the strength of informal support systems, such as family and friends; and an action plan to address the resident's needs. Upon request, RSCs can also provide residents with access to outside resources for counseling.

RSCs regularly collaborated with various City of Chicago departments and agencies in FY2004 to provide a variety of services including distribution of informational flyers and packets designed to help residents understand pressing health and educational issues, flu shots to residents in need, and well-being checks on residents during weather-related emergencies.

FY2004 Resident Service Coordinator Program Activity		
Number of inquiries for information and assistance	35,581	
Number of times residents were provided direct service	66,535	
Number of well-being checks conducted	15,241	
Number of case management referrals	16,685	
Number of residents referred for public benefits	12,657	
Number of crisis intervention/unexpected emergency assistance	206	
Number of social enrichment activities	7,768	
Actual attendance at social enrichment activities	103,792	

EMPLOYMENT AND JOB TRAINING

Throughout FY2004, the CHA continued to focus on resident employment and engaged in a number of activities designed to help residents obtain and retain jobs.

Resident Employment

The CHA works in collaboration with various City departments and not-for-profit organizations to provide residents with access to employment opportunities. Through these collaborations, residents can enroll in job training programs, GED classes, financial planning workshops, and entrepreneurship programs. In FY2004, the CHA assisted 933 residents in obtaining full and part-time jobs through the Service Connector System.

Youth Employment

In FY2004, the CHA partnered with After-School Matters, a not-for-profit organization, to provide a Summer Youth Pre-Internship Employment Training Program for CHA residents. The After-School Matters Summer Youth Pre-Internship Employment Training Program provided 28 CHA youth and 38 CHA adults with employment opportunities during FY2004. The 194 CHA teens who participated followed a prescribed Junior Achievement Curriculum in which they learned about entrepreneurship and job readiness. In the six week program, teens developed ideas for income-generating businesses, wrote business plans, and discussed marketing strategies for their new ventures. Teens who completed the program were paid a stipend and received instruction on basic academic skills, punctuality, work attire, and how to complete job applications. Participants also learned about methods to perform personal life skills such as banking, shopping, and budgeting.

CHA SUPPORTIVE PROGRAMMING

In addition to the extensive network of supportive services provided via the Service Connector System and RSCs, the CHA offered residents access to a variety of programs and activities throughout FY2004.

- Nutrition Programs: Through the Summer Food Program, the CHA distributed a total of 1,218,738 meals to children surpassing the FY2004 goal of serving 1,000,000 meals. The program operated at 201 sites on the CHA properties, as well as at 14 churches and 30 other local agencies. Additionally, the CHA provided 2,392 residents with fresh and nutritional produce at no cost through the Vegetable Give-Away Program.
- Furniture and Clothing Distribution: The CHA coordinated the acquisition of more than 1,000 pieces of furniture from Arthur Andersen's Q Center in St. Charles, Illinois for distribution to CHA families. The CHA also collected clothing items throughout the year from community members and the CHA staff and distributed them to families in-need.



Families choose amongst several children's coats provided by community members and CHA staff.

- Recreational Activities: Through a partnership with the Chicago Park District (CPD), the CHA offered a variety of recreational activities to residents throughout FY2004. More than 1,700 children participated in the Chicago Park District's summer day camp, and 505 youth were recruited for a soccer program during the year. The CPD after school programs also provided CHA youth with access to a variety of outdoor activities and field trips.
- After-School Programs: Additionally, the CHA's After-School Program at Altgeld Gardens and Murray Homes offered 25 at-risk youth with homework assistance throughout the year. After homework was complete, young residents were invited to participate in a number of indoor activities.
- Safe Halloween Activities: The CHA distributed a total 5,000 Safe Halloween Tips flyers as well as candy, chips, popcorn, fruit, and juice
 to children during the holiday.
- Beautification Programs: Through the CHA's Clean and Green Program, residents work together to clean and beautify the CHA properties. In FY2004, residents and Local Advisory Council (LAC) representatives were recognized for their efforts during the CHA's first Clean and Green Awards Ceremony. The top three properties received trophies for outstanding creativity, resident participation, cleanliness, and originality.
- <u>Thanksgiving Celebrations:</u> For Thanksgiving, the CHA joined forces with Windows of Opportunity, Jewel-Osco, and the National Conference for Community Justice to prepare 3,000 food baskets for some of Chicago's needlest families.



Family Feud

Under the leadership of CHA Board Commissioner Earnest Gates, the CHA hosted its first-ever intra-development Family Feud competition in FY2004. Questions for the game tested residents' knowledge of the Plan for Transformation. Subjects ranged from the relocation process to the Housing Choice Voucher Program, and included questions about rules and regulations that residents have to follow to remain lease compliant as well as residents' rights under the Relocation Rights Contract. Each team consisted of five members and represented CHA family housing properties. The top three scoring teams won prizes and the grand prize winner, Lathrop Homes, was awarded the Commissioner Earnest Gates' In the Spirit of CHAnge Trophy.

Christmas Holiday Celebrations: In celebration of the Christmas season, the CHA worked with Windows of Opportunity, LAC presidents, as well as volunteers from the Safer Foundation and the Haymarket House to distribute 600 Christmas holiday food baskets. Additionally, the CHA collaborated with the National Forum for Black Public Administrators, Toys R Us, and Wisconsin Toys to fulfill the holiday wishes of our children. Over 12,000 toys, watches, radios, bicycles, clothes, and computers were hand delivered to public housing families for Christmas.



The CHA worked to make the holiday season a joyful one for public housing families through its Christmas toy and food drive.

COMMUNICATION AND RESIDENT OUTREACH

The CHA recognizes the importance of effective communication both during the Plan for Transformation and after its completion. In a continued effort to communicate the details of the CHA and Plan for Transformation to residents, stakeholders, and the general public the CHA distributed information through a variety of methods including an award-winning the CHA website, cable television show, and public comment hearings.

Website

The CHA continued to update its website www.thecha.org throughout FY2004. Residents and the public can access the CHA website to learn about the Plan for Transformation, locate the CHA properties throughout the city, view various newsletters and brochures, access the CHA's Annual Plans, Reports and resident policies, and view press releases. Residents and stakeholders were also able to view and comment on documents during their respective public comment periods in FY2004, including administrative plans, tenant selection plans and leases of mixed-income sites, and the FY2005 Annual Plan.



The CHA continued to keep residents and the public informed about the Plan for Transformation through its website, www.thecha.org.

Cable Show

In FY2004, the CHA aired 16 new episodes of its award-winning cable television show, "CHA: Building a Better Place." The show, which airs on Chicago municipal stations, continued to be a successful avenue for residents and stakeholders to become informed and updated on the Plan for Transformation as well as the various supportive services that are available to the CHA residents. The FY2004 episodes included stories of individual CHA residents who are working to become economically self-sufficient and actively involved in their communities.

Other Communication Tools

The CHA also communicated with residents by:

- Creating and distributing site-specific fact sheets to residents at various CHA properties;
- Developing and distributing newsletters for residents in various CHA properties;
- Conducting tours of mixed-income developments for stakeholders and external audiences including university students and members of the news media;
- Presenting updates on the Plan for Transformation for national conferences;
- Creating an animated video to highlight the redevelopment plan for Rockwell Gardens; and
- Conducting eight public comment periods to provide the public an opportunity to make comments on proposed policy changes.





The message of the Plan for Transformation has been made available to the public through various advertising campaigns in local newspapers, on mass transit systems, and on outdoor bus shelters.

Ad Campaign

During FY2004, Leo Burnett, a global advertising agency, created an advertising campaign for the CHA pro-bono. The ads profiled five current CHA residents and one former resident who, through their exemplary character, personify the ideals of the Plan for Transformation. The ads told the personal stories of the residents and showed how each resident has overcome personal hardships to achieve success. The purpose of the ads was to position the Plan for Transformation as an instrumental force for positive change and also to help overcome some of the negative stereotypes that may exist among the general public. The ads were placed in local newspapers, on outdoor bus shelters and on the Chicago mass transit system. The transit ads were placed in areas near the communities where the CHA is renewing its properties.

RESIDENT SAFETY

In addition to the aforementioned supportive services, the CHA provided residents with access to services that support residents' safety. Through a collaboration with the Chicago Police Department, community policing initiatives, a victim assistance program, resident outreach groups, and contracted security services, residents work with the CHA to build and sustain safer communities.

Chicago Police Department

The Chicago Police Department (CPD) continued to patrol CHA properties, respond to requests for assistance, coordinate anti-crime strategies, and maintain monthly contact with the Local Advisory Council presidents throughout FY2004. By maintaining a physical presence in the CHA buildings, CPD patrols helped control vandalism, property damage, loitering, trespassing, and limit crimes at CHA properties.

Chicago Alternative Policing Strategy

The Chicago Alternative Policing Strategy (CAPS) is recognized as one of the most ambitious community policing initiatives in the United States. Through CAPS, police members, residents, and other community members came together to identify and address neighborhood problems. CHA residents took a proactive role in increasing public safety at their respective properties by attending monthly meetings in FY2004 and participating in their local CAPS organization.

Victim Assistance Program

The CHA's Victim Assistance Program supports CHA families who are impacted by violent crime, domestic violence, and ongoing threats to physical safety. In FY2004, the CHA's Victim Assistance Program provided services to 93 residents in 25 properties.

Resident Outreach Services

The CHA's Resident Outreach Services Unit is comprised of volunteer groups that work to increase public safety at CHA family and senior properties. In FY2004, there was an average of 91 volunteer groups that distributed information, patrolled neighborhoods, walked children to and from school in an effort to ensure safety, and conducted well-being checks on residents during extreme weather conditions with a high priority for seniors and the disabled.



Volunteers of the Resident Outreach Services Unit assist in the community through neighborhood watch programs, well-being checks, and food and information distribution.

Throughout the year, the volunteers conducted 37,356 building safety checks, held 91 public safety meetings, and continued to meet with representatives of the CPD and CAPS to discuss safety issues, concerns, and activities within the community. Resident Outreach Services continuously conducts open houses and other recruitment activities that are designed to encourage residents to play an active role in maintaining a safe community.

Private Contracted Security Guard Service

The CHA's property management firms contracted with private security companies in FY2004 to provide additional security at CHA senior designated properties. Security guards were stationed at the front desk for at least one eight-hour shift per day, thereby allowing senior residents and their visitors to enjoy a higher level of comfort.



Honorary Mrs. Hallie Amey Avenue

CHA Board Commissioner Hallie Amey, a resident of Wentworth Gardens for 53-years, President of Wentworth Gardens Resident Management Corporation, and vocal advocate for low-income housing residents, was honored in January 2004 with a street dedication. Wentworth Avenue from 37th to 39th Streets, adjacent to Wentworth Gardens, is now "Honorary Mrs. Hallie Amey Avenue."

At the dedication ceremony, Commissioner Amey reflected on the event: "I am so grateful to receive this honor. I have lived in this community a long time and have seen all the changes, good and bad, throughout the years. I look forward to the positive changes that the CHA is planning for the Wentworth community, to make life better for the residents here."

CHAPTER 5: PROMOTING ECONOMIC OPPORTUNITIES

In addition to connecting residents to a variety of supportive services, the CHA encourages economic self-sufficiency for residents through internal policies and programs that expand access to employment and contracting opportunities. To increase awareness of potential options to conduct business with the CHA, the CHA held information sessions throughout FY2004. At the sessions, the CHA explained ways to become a certified Minority, Women, and Disadvantaged Business Owners (M/W/DBE) and described a variety of the CHA sponsored programs that support economic self-sufficiency, including the Section 3 Program, Earn and Learn Program, and an alternative procurement process that supports resident-owned businesses.

MINORITY, WOMEN, AND DISADVANTAGED BUSINESS OWNERS (M/W/DBE)

To support economic development opportunities, the CHA encourages the creation, growth, and involvement of M/W/DBEs. Specifically, the CHA's construction and service contracts of \$25,000 or more must meet the appropriate level of M/W/DBE Program participation. In addition to these financial requirements, the CHA conducted outreach throughout FY2004 for M/W/DBEs through "How to Do Business with the CHA" training and Six-Step Series Workshops. These regular trainings provided an opportunity for M/W/DBEs to obtain information on contracting opportunities with the CHA as well as suggestions for developing a business.

"How to Do Business with the CHA"

On a quarterly basis, the CHA held "How to Do Business with the CHA" training sessions which provided participants with information on the procurement process, M/W/DBE and Section 3 compliance, and upcoming procurement opportunities.



The CHA hosts training sessions, workshops, and networking events for parties interested in doing business with the CHA, as well as for CHA resident-owned businesses.

Six-Step Series Workshops

The CHA residents and other low-income individuals were invited to attend the Six-Step Series Workshops which provided steps on creating and managing a business. Some of the topics addressed at the workshops included the legal formation of a business, preparation of a business plan, marketing, and financial awareness.

Also during the year, CHA Procurement Buyers and Compliance Policy Monitoring specialists attended a number of events targeted to M/W/DBEs and sponsored by local organizations. Some of the sponsoring organizations for the M/W/DBE outreach events included:

- Chicago Cosmopolitan Chamber of Congress;
- Chicago Park District;
- City of Chicago;
- Hispanic Chamber of Commerce; and
- Women's Business Development Council.

SECTION 3 OUTREACH

The goal of the Section 3 Program is to ensure that low and very low-income individuals are provided employment and other economic opportunities through contracts paid for with HUD funds. To meet this objective, the CHA established a system that determines participation based upon contract amount and type. The system requires that at least 30% of a contractor's new hires on qualifying contracts with the CHA be Section 3 residents from the property where work is being performed. However, if contractors are unable to meet this requirement, they can fulfill it by providing alternative economic opportunities for Section 3 residents. These opportunities might include providing training for Section 3 individuals or contributing to the CHA's Section 3 Compliance Fund. The CHA conducted outreach for the Section 3 Program throughout FY2004 including informing residents of employment and training opportunities, enrollment in the CHA's Section 3 Database, and business development workshop registration.

EARN AND LEARN

In October 2004, the CHA created the Earn and Learn Program to further assist residents and other low-income individuals as they continue to move towards economic self-sufficiency. Program participants have the opportunity to obtain internships with participating companies to assist with the transition to full employment and strategies to develop a business. As of the end of FY2004, 75 residents were scheduled to participate in the program in the upcoming year.

ALTERNATIVE PROCUREMENT PROCESS

To further increase contracting opportunities available to residents, the CHA uses its Alternative Procurements Process to identify procurements that will only be solicited to resident-owned businesses (ROBs). Contracts with ROBs were established for a number of goods and services, such as catering, building maintenance, and construction throughout FY2004.

CHAPTER 6: OPERATION OF CHICAGO'S PUBLIC HOUSING

Upon completion, the Plan for Transformation will provide 25,000 units of redeveloped or rehabilitated housing in viable communities for low-income families in Chicago. However, the Plan for Transformation is not merely about revitalizing units. Essential to the success of the Plan for Transformation is diligent management of the revitalized assets and the creation and implementation of policies and procedures that support viable communities.

MANAGEMENT OF ASSETS

FY2004 was the fifth year that the CHA contracted the daily, on-site operation of the properties to private property managers including resident management corporations. Each property is assigned an asset manager who, on behalf of the CHA, holds the site's property management company accountable for their work by monitoring the firm's performance with property management benchmarks. During the year, the CHA reviewed the organizational structure of the Asset Management Department to identify potential changes for improved efficiency and better oversight of the property management contracts. As a result of the review, the CHA determined that the Asset Management Department should be re-organized so that it more closely paralleled the structure of private sector property management companies.

In addition, throughout FY2004, asset and property management staff attended training sessions to help them remain up to date on industry best practices, HUD rules and regulations, and to ensure that CHA policies and procedures were properly implemented. Some of the topics covered at these sessions included:

- Admissions and Continued Occupancy Policy and Procedures;
- Residential Lease Agreement;
- Pet Policy and Procedure;
- Rental Integrity Monitoring;
- Re-certification procedure;
- Tax credit properties; and
- Resident Grievance Procedures.

FY2004 PROPERTY MANAGEMENT BENCHMARKS AND PERFORMANCE

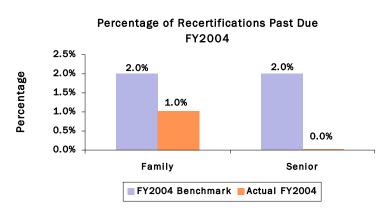
The property management benchmarks, which are incorporated into the contracts of the property management companies, reflect the CHA's standards for the maintenance of units and properties inhabited by public housing residents. Property management companies who do not meet the benchmarks as they are outlined in their contracts are subject to corrective actions. If, after corrective actions are imposed, improvements are not made, the CHA has the option of enforcing financial penalties or terminating the property management company's contract.

Under the guidance of the CHA asset managers, the property managers were able to meet or exceed several of the set benchmarks. The property management firms' success in both meeting and surpassing FY2004 benchmarks demonstrates the Authority's success in transitioning from managers of properties to managers of assets. To enhance the asset managers' monitoring capabilities, the CHA has invested significant resources installing and implementing a new, automated housing management software system Yardi Enterprise/Voyager. The automated system will allow property managers, asset managers, and other CHA staff to more efficiently generate customized and standard performance and housing stock reports and raise the standard for intake and case management, property maintenance, and construction management. Preparation for the first phase of implementation continued throughout FY2004 with the drafting of Design Books, the development of a "pilot" system, and a review of CHA housing stock and resident data.

FY2004 property management benchmarks and performance follows.

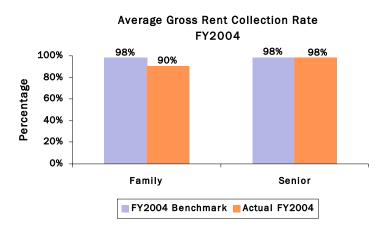
Past Due Re-certifications FY2004 Benchmark: Less than 2% of the re-certifications will be outstanding.

Each resident meets with property managers before their current lease expires to recertify and sign a new lease. The re-certification process includes reviewing the household income, family size, and calculating the resident's rent under the new lease. Property managers were expected to complete each family's annual re-certification before their lease expired. Families who relocated to their permanent housing choice also attended interim re-certification interviews before signing the lease for their revitalized unit. The property managers were able to surpass the FY2004 benchmark with only one percent of re-certifications past due at the family properties and no re-certifications past due at the senior properties.



Gross Rent Collections FY2004 Benchmark: At least 98% of all residents' rent will be collected.

As part of their lease agreement, CHA residents are expected to pay rent and any other costs associated with their unit in a timely manner. The rent collection rate in the charts below reflects gross rent collection which includes monthly rent due in the year, as well as rent in arrears.



Rental Integrity Monitoring Reviews

In FY2002, HUD established a strategy entitled Rental Integrity Monitoring (RIM) to reduce errors in rent calculation and income verification. As a result of RIM, public housing authorities, including the CHA, reviewed property managers' resident files for proper rent calculation and income verification. During the CHA's review, it was determined that 90% of the files contained some type of error in income verification or rent calculation.

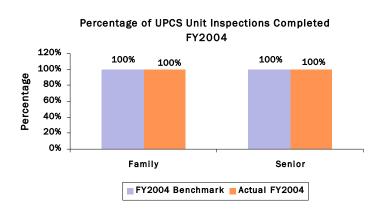
With 90% serving as a baseline, the CHA initiated steps to reduce the percentage of files with errors. By the end of FY2004, errors were reduced by 15% so that of the files reviewed, only 75% had errors. To reach this reduction rate, property and asset managers were required to attend RIM training to accurately calculate rent, deductions that need to be made prior to final rent calculation, and how to make the final rent determination. The initial goal was to reduce errors in rent and income by 15% in FY2003 (to 75%) and by an additional 30% in FY2004 (to 45%). However, implementation of the RIM strategy was delayed to allow the CHA staff to revise property management contracts to incorporate the RIM strategy.

Unit Inspections FY2004 Benchmark: 100% of units will be inspected.

One hundred percent of the CHA public housing units required to be inspected during FY2004 were inspected using Uniform Physical Condition Standards (UPCS). The HUD-established standards ensure that units receiving Federal housing subsidies are in good condition.



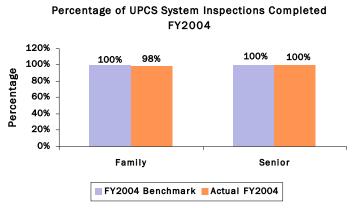
established standards in FY2004.



System Inspections FY2004 Benchmark: 100% of buildings systems will be inspected.

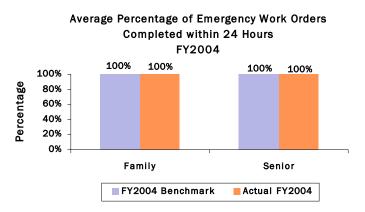
In addition to the units, public housing property systems were inspected using UPCS. Due to changes in the CHA's housing management system, not all of the system inspections conducted were incorporated into the system. Property management companies provided signed verifications that all of the systems were inspected.



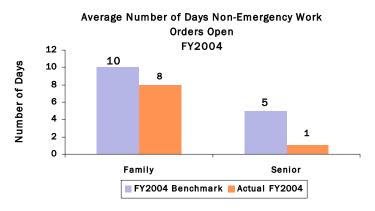


Emergency Work Order Response FY2004 Benchmark: 100% of emergency work orders will be abated within 24 hours.

To maintain a safe and healthy environment, the CHA, in compliance with HUD regulations, requires all emergency work orders to be completed within 24 hours. Emergencies are defined as conditions which pose an immediate threat to life, health, safety, or property, or one that threatens fire safety. At both family and senior properties, property managers were able to meet the emergency work order response benchmark.



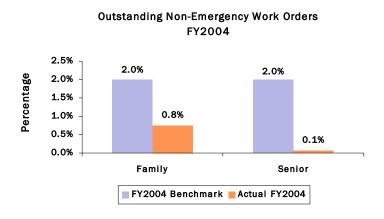
Non-Emergency Work Order Response FY2004 Benchmark: Complete non-emergency work orders within ten days at family properties and eight days at senior properties.

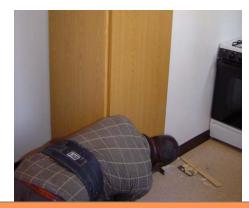


While non-emergency work orders do not pose immediate threats to life, safety, or property, it is important to complete these work orders in a timely fashion so that residents can live in properly maintained units and properties. Expeditiously responding to the work orders also prevents them from becoming emergency work orders and decreasing the quality of the physical asset.

Outstanding Non-Emergency Work Orders Benchmark: Less than 2% of non-emergency work orders will be outstanding.

In some cases, non-emergency work orders cannot be completed. These outstanding non-emergency work orders only represent a small portion of the entire number of non-emergency work orders. As of December 31, 2004, 0.8% of non-emergency work orders were outstanding at the family properties and 0.1% at the senior properties. In many cases, the outstanding work orders will be completed and closed in the early quarters of FY2005.





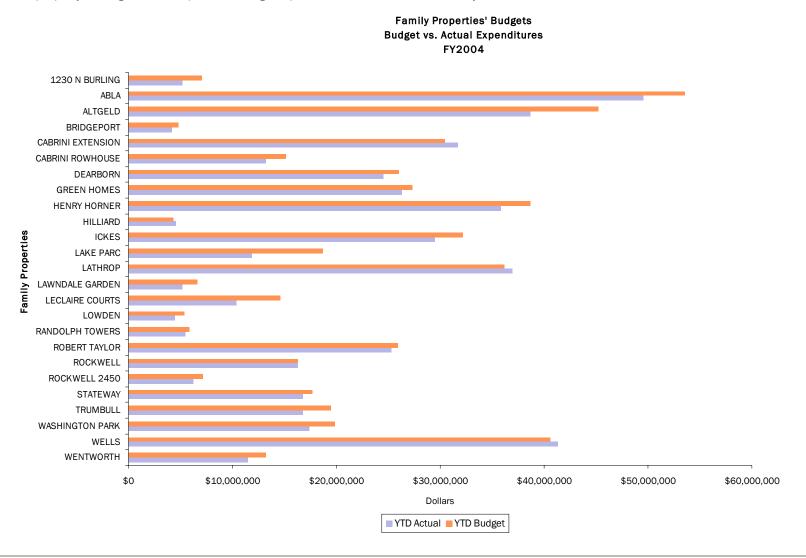
Property management staff completed non-emergency work orders in FY2004.

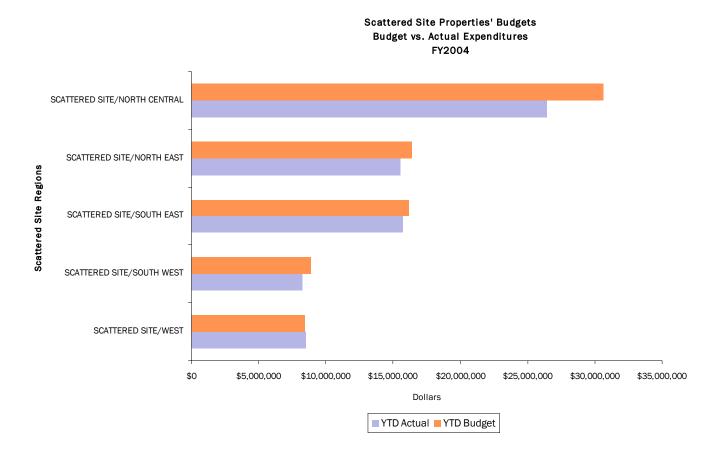
Vacant Unit Turnaround Time

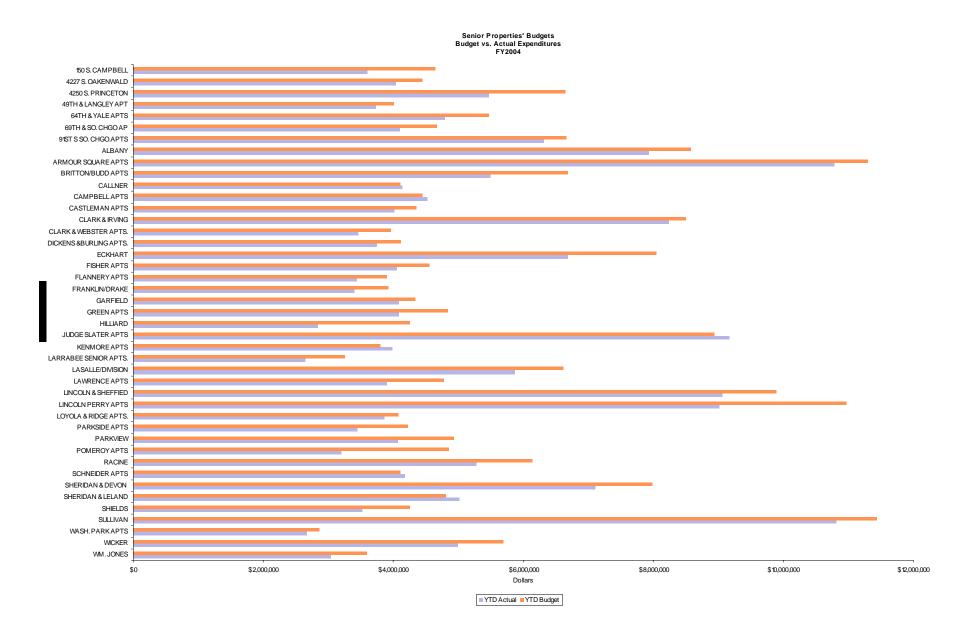
The CHA will not measure vacant unit turnaround time until more units are rehabilitated and redeveloped.

PROPERTY BUDGETS

The CHA meets with property management firms each year to establish a budget for each property. Asset Managers regularly review the actual expenditures versus the budgeted and identify potential cost saving measures. The variance in FY2004 actual versus budgeted expenditures is primarily due to the property management companies having to spend funds to cover extraordinary costs due to unforeseen events.







QUALITY CONTROL

The Quality Control Unit continued to work in conjunction with asset managers in FY2004 to audit the performance of the property management companies. In FY2004, Quality Control staff conducted 1,822 reviews of UPCS files and quality control inspections of 1,207 units and 142 building common areas. The reviews and inspections confirmed whether or not all required yearly inspections were conducted by property managers. The reviews also served to confirm that any deficiency found during FY2004 was accurately documented and remedied in a timely manner.

Also during FY2004, Quality Control staff conducted 1,165 re-certification reviews to verify accurate rent calculation, income deductions, and proper verification of resident information. If errors were found during the reviews, the Quality Control Unit created a summary report of the findings and forwarded the information to the asset and property managers for further action. In FY2004, a Perfect File Folder and a Perfect File Folder Manual were created to serve as visual aids for property managers during the Quality Control Unit's re-certification reviews.

FY2004 LEASING ACTIVITY

Leasing at Mixed-Income and Rehabilitated Properties

Asset managers worked with Relocation Department staff to assist relocating families as they transitioned from their temporary homes to their revitalized final housing choice. In FY2004, the CHA leased 271 revitalized public housing units to families relocating under the Plan for Transformation. For more information on relocation at mixed-income and family rehabilitated properties, see Chapter 3: Supporting Residents Through Relocation.



Pilsen/Little Village Latino Site Office Relocates

In November 2004, the CHA inaugurated the new Pilsen/Little Village Latino Site Office. The CHA has a total of three strategically located offices in Chicago. Latino Site Offices provide bilingual service for:

- Individuals with general CHA and Housing Choice Voucher Program inquiries;
- Seniors interested in applying for housing at CHA senior designated properties; and
- CHA applicants interested in updating their wait list information.

The site offices also develop and implement marketing plans to promote the affordable housing opportunities at CHA's mixed-income communities by highlighting the amenities, benefits, and affordability of the units, as well as coordinating tours.

CHA resident Reynaldo Espino (center) spoke at the open house held to inaugurate the new Pilsen/Little Village Latino Site Office. The Latino Site Office helped Mr. Espino apply for public housing, and he now lives in one of the CHA's senior designated properties.

Leasing at Senior Designated Buildings

More than 1,300 rehabilitated senior units were leased in FY2004. In preparation for additional units becoming available, the CHA began to update the wait lists for senior designated properties. Notices were mailed to all applicants on the wait lists requesting updated contact information and confirmation that they wished to remain on the lists.

FY2005 Senior Designated Housing Plan

In preparation for the expiration of the FY2000 Senior Designated Housing Plan, the CHA began preparing its request to HUD to update the Senior Designated Housing Plan by revising the parameters of the senior-only designation so that, moving forward, the CHA will lease units only to the elderly (age 62 and above), and will not lease units to the near-elderly (ages 50-61) in the designated properties. As the rehabilitation of the senior portfolio draws to a close, the CHA will roll out a comprehensive media and community relations campaign to enhance its leasing efforts. The expected increase in demand for senior housing made the need for an extension of the designation and amendment to the parameters imminent.



The CHA leased units in rehabilitated senior designated buildings in FY2004.

RESIDENT POLICIES

CHA residents are expected to comply with admissions and continued occupancy policies as outlined in the CHA's Admissions and Continued Occupancy Policy and the tenant selection plans of the individual mixed-income sites. The CHA regularly reviews the policies for compliance with Federal, state, and local regulations and industry standards. If changes need to be made to the policies, the CHA holds public comment periods and hearings to allow residents and the public at-large to review and comment on proposed changes.

Family and Senior Traditional Public Housing- Admissions and Continued Occupancy Policy (ACOP)

In FY2004, no changes were made to the Admissions and Continued Occupancy Policy (ACOP) which governs admissions to, selection of residents for, and occupancy of traditional public housing developments owned by the CHA. Rather, the focus was on implementing the ACOP, Residential Lease Agreement (Lease), and Pet Policy approved by the Board of Commissioners in October 2003.

To support the effective implementation of the ACOP, the CHA created new and refined existing procedures for CHA and property management staff. In FY2004, 23 Admissions and Continued Occupancy Policy Procedures (ACOP-Pro) were drafted and finalized. These procedures cover admissions processes such as affirmative marketing, taking applications, applicant screening, and making unit offers, as well as continued occupancy processes such as annual re-certifications, additions to households, interim changes in rent, transfers, reasonable accommodations, unit modification, and lease termination. The newly developed ACOP-Pro and the existing ACOP, Lease, and Pet Policy and Procedure were combined into a comprehensive manual for CHA and property management staff to follow and access daily.

In July 2004, the CHA coordinated extensive three-day ACOP and ACOP-Pro training sessions for staff from all of the property management companies and various CHA departments. The training sessions covered both the policies and procedures and included case studies and exercises for participants.

The CHA Board of Commissioners meet to review CHA policies as well as hear comments from the public.

Mixed-Income Housing-Leases and Tenant Selection Plans

Admissions and occupancy policies for mixed-income communities are contained within each site-specific Tenant Selection Plan (TSP) and lease. Each new mixed-income community lease and TSP is presented to the public during a 30-day public comment period before finalization and submission to the CHA Board of Commissioners for approval. See Chapter 1: Renewal of Chicago's Public Housing for information on leases and TSPs finalized in FY2004.

For consistency among the various TSPs and mixed-income housing leases, the CHA drafted a Minimum Tenant Selection Plan (MTSP). The MTSP serves as a guide for working groups and developers as they draft their respective site's TSP. The CHA Board of Commissioners approved the MTSP in September 2004.



CHA residents who live in mixed-income communities must abide by the admissions and continued occupancy policies set forth in their site's TSP and lease.

Resident's Grievance Procedure

During the first quarter of FY2004, the CHA amended its Resident Grievance Procedure. The new Grievance Procedure is a two-step process through which public housing residents at both traditional and mixed-income properties can raise grievances with the CHA and/or its property management firms. The amended procedure promotes impartial and timely decisions that are independent from the CHA. The first step is an informal hearing between a resident and property manager in which the parties present concerns and attempt to resolve issues. If resolution is not reached, the second step is a formal hearing with an independent hearing officer. The resident retains the right to take the matter to a court of law if they are not satisfied after the formal hearing.

To amend the procedure, the CHA entered into an Intergovernmental Agreement with the City of Chicago Department of Administrative Hearings for use of its facilities and existing group of hearing officers for formal hearings of the CHA-related grievances. The CHA and Central Advisory Council jointly agreed upon the pool of 12 independent hearing officers who adjudicate formal hearings, and the CHA conducted training for those hearing officers on HUD regulations and CHA policies and procedures.

One-Strike Program

Federal legislation dictates that the CHA, along with all other public housing authorities, implement a One-Strike Program. The goal of the legislation is to remove leaseholders, household members, guests, or other persons under a resident's control that threaten the health, safety, or right of peaceful enjoyment of the premises by other residents, CHA employees, agents of the CHA, or persons residing in the immediate vicinity. It is important to note that not all One-Strike cases result in evictions; many cases result in alternative resolutions.

One-Strike Program FY2004	Total
Judgments for the CHA Pending Eviction	26
Judgments for Residents	8
Agreed Orders	116
Cases Dismissed	94
Cases Canceled	21
One-Strike Executed Evictions	70
Move-Outs	123

CHAPTER 7: ADVANCING THE VISION FOR CHANGE

As part of the Plan for Transformation, the CHA instituted a number of reforms to improve internal management and accountability. These reforms included improving the management of financial resources and diversifying funding sources to supplement HUD's operating subsidy and \$1.6 billion capital funding commitment. In FY2004, to support ongoing CHA activities and assist residents in transitioning to self-sufficiency during the remainder of the Plan for Transformation, the CHA continued to successfully manage its financial resources, raised external funding through resource development, and built strategic partnerships with universities and community-based organizations. These activities have allowed the CHA to maintain a balanced budget for five consecutive years and exceed its fundraising goals, raising \$3.57 million in FY2004, totaling \$73 million raised since the onset of the Plan for Transformation.

FINANCE

The CHA's Finance Division creates, institutes, and enforces financial policies that provide for the sound management and investment of the CHA resources. As it has for the past six years, the CHA received national recognition in FY2004 for the successful management of its financial resources.

Certificate of Achievement for Excellence in Financial Reporting

In FY2004, the CHA received the Certificate of Achievement for Excellence in Financial Reporting for the seventh year in a row from the Government Finance Officers Association of the United States and Canada (GFOA), a nonprofit association serving government finance professionals. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting.

Distinguished Budget Presentation Award

In FY2004, the CHA also received the Distinguished Budget Presentation Award for the fourth year in a row from the GFOA. This award is given to governmental entities that publish budget documents meeting criteria for a policy document, operations guide, financial plan, and communications tool. See Appendix G and H for the CHA Capital Expenditures and Financial Statements as of December 31, 2004.

EXTERNAL FUNDING THROUGH RESOURCE DEVELOPMENT

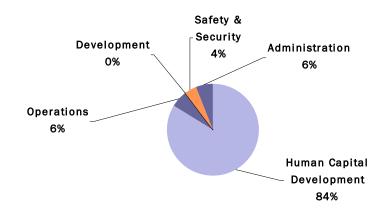
As part of an effort to support implementation of the Plan for Transformation, the CHA identifies potential opportunities to supplement and diversify its funding sources. At the onset of the Plan for Transformation, the CHA established a goal of raising \$50 million by FY2005 through both direct grants awarded directly to the CHA and indirect grants given to CHA partners who wish to support public housing residents and the Plan for Transformation.

Through collaborations and external fundraising efforts, the CHA and its partners raised \$3.57 million in FY2004, totaling \$73 million raised since FY2000 in support of the Plan for Transformation.¹ This activity far exceeds the goal of raising \$50 million by FY2005.

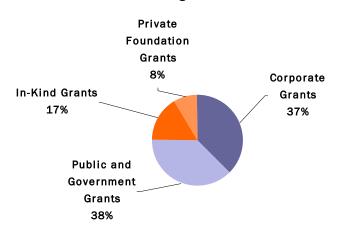
Funding Requests

Each year, the CHA makes numerous requests to a variety of potential funders. CHA fundraising efforts in FY2004 primarily concentrated on seeking grants and projects to support resident self-sufficiency, with 84% of funding requests in the area of human capital development. Sources of monies received during FY2004 remained diverse, with grants from public, corporate, and private foundation partners, as well as in-kind donations.

Focus Area of Funding Requests FY2004



Sources of Funding Received FY2004



¹ The new resources raised from FY2000-FY2003 were revised to more accurately reflect grants and funds received by non-CHA entities for the purpose of assisting public housing and HCV Programs families.

Public/Government Grants

Together with external partners, the CHA received more than \$3 million in government grants in FY2004. New activities funded during the year included an HIV/AIDS education, outreach, prevention, and testing programs at six CHA communities, supported through a grant from the Illinois Department of Public Health.

Additionally, the CHA and Passages for Alternative Lifestyles, a small community-based organization, received funding from the U.S. Department of Health and Human Services' new Mentoring Children of Prisoners grant program. The national effort provides mentorship, guidance, and hope to children with at least one incarcerated parent to support their growth into successful, healthy adults.



Taking Shape: The CHA Plan for Transformation Exhibition

The Chicago Historical Society and the CHA teamed up in early June 2004 to present "Taking Shape: The CHA's Plan for Transformation" an exhibition that featured ten architectural models of new mixed-income developments and newspaper articles highlighting the transformation. Through computer animations, eight of the ten models offered virtual tours of the communities and new public housing units along with a detailed historical background of the area. Visitors also had an opportunity to record their responses in a "talk back" section of the exhibit.

The exhibition was on view at the Chicago Historical Society until July 25 when it made its way to City Hall. The exhibition will eventually be shown in neighborhoods where the ten mixed-income developments are located.

Corporate Partnerships

During FY2004, the CHA maintained and expanded a number of corporate partnerships made in years past, culminating in more than \$400,000 in new corporate resources throughout the year. Specifically, Hewlett-Packard supported a partnership between the CHA, the Center for Neighborhood Technology, and the Women's Self-Employment Project to establish a micro-enterprise and technology program at Altgeld Gardens. The CHA also worked with the Norwegian American Hospital and several corporate partners to hold a one-day health fair in the Lathrop Homes. Additional donations included funding raised through the CHA's 4th Annual Golf Outing, and an in-kind contribution from Toys R Us and Wisconsin Toys that allowed the CHA to distribute toys during holiday celebrations.

Foundation Partnerships

The CHA continues to receive generous contributions from private foundations in support of the Plan for Transformation. This includes support from the John D. and Catherine T. MacArthur Foundation and the Chicago Community Trust, whose joint efforts also resulted in the creation of the Partnership for New Communities. The Partnership supports public housing transformation by promoting neighborhood economic development and the growth of strong community institutions that will allow mixed-income communities to thrive.

In addition to this ongoing support, the CHA received a new grant from the Retirement Research Foundation in FY2004 that will fund the Illinois College of Optometry's Sight for Seniors pilot program at Armour Square. Through the program, seniors residing at Armour Square buildings will have access to free evecare and treatment.

Building Strategic Partnerships

The CHA continued building strong relationships and strategic partnerships throughout FY2004 with universities and community-based organizations in an effort to support ongoing CHA activities and assist residents in transitioning to self-sufficiency during the Plan for Transformation.

Roosevelt University

In FY2004, the CHA announced a new partnership between Roosevelt University and Wentworth Gardens. Roosevelt sponsored a day of service activities with residents in the spring and a back-to-school event in September, in partnership with the Chicago White Sox. The university will offer two four-year scholarships for Wentworth Gardens residents and has hired a staff person to work on an oral history project with residents.

Chicago State University

The CHA also established a partnership between Chicago State University and Trumbull Park Homes and Lowden Gardens in FY2004.

Resident surveys were distributed during the year to gauge resident interest in Chicago State University programming.

Illinois Institute of Technology

During FY2004, the CHA and the Illinois Institute of Technology (IIT) initiated a Technology Advisory Committee (TAC). Through the TAC, IIT will assist the CHA on its Sensible Homes Initiative and on developing a pilot initiative to employ green technology in affordable housing. Green technology conserves energy through alternative or renewable energy sources and by using resource-efficient building materials.

University of Illinois-Chicago

During the fall semester of FY2004, a partnership between the CHA and University of Illinois-Chicago (UIC) allowed twelve residents from Washington Park to participate in a program at the UIC City Design Center and Urban Planning Program that taught basic elements of good, functional design. During the first quarter of FY2005, UIC students will have an exciting opportunity to take a housing studio course in which they will develop a land use plan for an eight-block area of Washington Park. CHA staff and resident leadership will participate in the course providing feedback to the students.

University of Chicago

In FY2004, the University of Chicago's School of Social Work began working on a community resource guide for the Madden Park and Ida B. Wells community, an effort that is funded by the John D. and Catherine T. MacArthur Foundation. The CHA is also taking steps to expand its partnership with the University of Chicago which in close proximity to several CHA properties.

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The CHA partnered with various academic and community-based organizations in FY2004 to assist its residents with gaining access to technology and computers.

Center for Neighborhood Technology

The CHA focused on developing strategic partnerships with a number of community-based organizations throughout FY2004. This included signing a Memorandum of Understanding with the Center for Neighborhood Technology. Through the MOU, the CHA and CNT will join efforts to seek funding for technology initiatives that benefit public housing residents.

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APPENDIX A: MOVING TO WORK (MTW) FY2004 ANNUAL REPORT CROSSWALK

The CHA Moving to Work (MTW) Crosswalk below contains each reporting requirement for the annual report with the corresponding location within the document. The required reporting elements provide the U.S. Department of Housing and Urban Development and other stakeholders with detailed information on the CHA's progress in implementing the Plan for Transformation.

Category	Requirement	Location
	 A. Number and characteristics of households served at the end of the year. I. Include unit size, family type, income group, housing type, race & ethnicity. 	Appendix B: Public Housing Stock and Demographic Information
Households Served	B. Number and characteristics of households on wait lists.	Appendix C: Public Housing Wait List Demographic Information
	C. Changes in tenant and wait list numbers and characteristics and related narrative discussion.	Chapter 6: Operation of Chicago's Public Housing Appendix C: Public Housing Wait List Demographic Information
	A. Changes in rent policy, if any.	Chapter 6: Operation of Chicago's Public Housing
	B. Changes in concentration of lower-income families by	
	program.	Chapter 1: Renewal of Chicago's Public Housing
		Chapter 2: Enhancing Affordable Housing Opportunities
Occupancy Policies		Chapter 4: Achieving Economic and Social Self-Sufficiency
Occupancy Policies		Appendix B: Public Housing Stock and Demographic Information
		Appendix C: Public Housing Wait List Demographic Information
	C. Narrative discussion/explanation of changes in occupancy	Chapter 1: Renewal of Chicago's Public Housing
	policy.	Chapter 6: Operation of Chicago's Public Housing
Doloostion	A. Report on relocation activities for previous year.	Chapter 3: Supporting Residents Through Relocation
Relocation	B. Report on building closures for previous year.	Chapter 3: Supporting Residents Through Relocation
Capital	A. Actual delivery of units in previous year.	Chapter 1: Renewal of Chicago's Public Housing
Improvements and	B. Actual units under construction for current year.	Chapter 1: Renewal of Chicago's Public Housing
Development	C. Narrative on progress of capital plan.	Chapter 1: Renewal of Chicago's Public Housing

Category	Requirement	Location
	A. Finance I. Identified planned vs. actual expenditures by property. II. Include narrative discussion/explanation of difference.	Chapter 7: Advancing the Vision for CHAnge Appendix G: Capital Expenditures FY2004
Capital Planning	B. Demolition and Disposition - Report on actual demolition and disposition for previous year.	Appendix E: Structural Demolition FY2004 Appendix F: Disposition FY2004
	C. Report on home ownership activities for previous year.	Chapter 1: Renewal of Chicago's Public Housing Chapter 2: Enhancing Affordable Housing Opportunities
	A. Work orders: I. Emergency work orders. II. Non-emergency work-orders. III. Outstanding non-emergency work orders.	Chapter 6: Operation of Chicago's Public Housing
Management Information for PHA	B. Inspections: I. Percent of annual inspection of dwelling units. II. Percent of annual inspection of building systems.	Chapter 6: Operation of Chicago's Public Housing
Units	C. Income Verification and Rent Calculation: I. Increase in percent of correct income verification. II. Increase in percent of correct rent calculation. III. Percent outstanding recertifications. IV. Steps taken to reach goal.	Chapter 6: Operation of Chicago's Public Housing
	D. Other management achievements for previous year.	Chapter 6: Operation of Chicago's Public Housing

Category	Requirement	Location
Security	A. Narrative on planned vs. actual activities and explanations of differences. Details may include: I. Report on One-Strike activities and coordination with local government on anti-crime strategies. II. Report on screening activities related to security for previous year. III. Report on lease enforcement activities related to security.	Chapter 4: Achieving Economic and Social Self-Sufficiency Chapter 6: Operation of Chicago's Public Housing
Senior Designated Housing Plan	Update of status of Senior Designated Housing Plan.	Chapter 6: Operation of Chicago's Public Housing
Resident Programs	A. Description of activities, issues, and proposed actions. Details may include: I. Economic self-sufficiency: Report on service delivery for previous year with Chicago Department of Human Services II. Report on plans for job training, Section 3, and resident initiatives. III. Resident participation: Report on activities.	Chapter 2: Enhancing Affordable Housing Opportunities Chapter 3: Supporting Residents Through Relocation Chapter 4: Achieving Economic and Social Self-Sufficiency Chapter 5: Promoting Economic Opportunities

Category	Requirement	Location
	A. Leasing Information I. Units at beginning of previous year and number of units under lease at year-end.	Chapter 2: Enhancing Affordable Housing Opportunities
	B. Actual lease-up rate at end of year related to targets.	Chapter 2: Enhancing Affordable Housing Opportunities
	C. Information and certification of data of Leased Housing Management, including:	
Management	I. Ensuring rent reasonableness. II. Expanding housing opportunities. III. Deconcentration of low-income families.	Chapter 2: Enhancing Affordable Housing Opportunities
Information for	D. Discussion of differences between Plan and Report.	Chapter 2: Enhancing Affordable Housing Opportunities
Leased Housing	E. Inspection Strategy I. Results of strategy, including: a. Planned vs. actual inspections completed by category: i. Annual HQS inspections ii. Pre-contract HQS inspections iii. HQS Quality Control inspections. b. HQS Enforcement report. II. Narrative/discussion of difference. III. Leasing Strategy - Report on activities conducted to expand lease of vouchers by end of Plan for Transformation.	Chapter 2: Enhancing Affordable Housing Opportunities
	A. Planned vs. actual funding amounts.	Chapter 7: Advancing the Vision for CHAnge Appendix G: Capital Expenditures FY2004 Appendix H: Financial Statements
Sources and Amounts of Funding	B. Narrative discussion/explanation of the difference.	Chapter 7: Advancing the Vision for CHAnge Appendix G: Capital Expenditures FY2004 Appendix H: Financial Statements
	C. Consolidated Financial Statement.	Chapter 7: Advancing the Vision for CHAnge Appendix G: Capital Expenditures FY2004 Appendix H: Financial Statements

Category	Requirement	Location
	A. Budgeted vs. actual expenditures by line item.	Chapter 7: Advancing the Vision for CHAnge
		Appendix G: Capital Expenditures FY2004
		Appendix H: Financial Statements
	B. Narrative/explanation of difference and changes from the	Chapter 7: Advancing the Vision for CHAnge
Uses of Funds	Plan.	Appendix G: Capital Expenditures FY2004
		Appendix H: Financial Statements
	C. Reserve balance at end of year and discussion of adequacy	Chapter 7: Advancing the Vision for CHAnge
	of reserves.	Appendix G: Capital Expenditures FY2004
		Appendix H: Financial Statements
	A. Results of latest completed 133 Audit (including program- specific OMB compliance supplement items as applicable).	Appendix I: OMB Circular A-133 Independent Audit
Other Information Required by HUD	B. Required certifications and other submissions from which the CHA is not exempted by the MTW agreement.	Appendix J: Moving to Work Annual Report Required Certifications
	C. Submissions required for the receipt of funds.	Appendix H: Financial Statements

APPENDIX B: PUBLIC HOUSING STOCK AND DEMOGRAPHIC INFORMATION

The following charts showing the public housing stock and the demographics of the CHA public housing resident population, public housing wait lists, and Housing Choice Voucher (HCV) Program, document the significant changes inherent in the implementation of the Plan for Transformation. These changes reflect the monumental overhaul of Chicago's public housing, subsequent changes to the public housing population, and the use of the HCV Program.

The information provided will vary as the CHA makes the data available for conversion to a new housing management software program and database. The ability of the CHA, CHAC, Inc., and property management companies to effectively manage both public housing and the HCV Program will increase greatly with the establishment of this new software and database. In FY2004, great strides were made in the effort to customize the technology.

-	ousing Demographics the CCS Database	
Housing Stock & Occupancy	1/1/2004	1/1/2005
Total Units	19,782	18,813
Occupied Units	10,405	9,452
Total Number of Residents	31,308	27,721
Average Family Size	3.0	2.9
Unit Size (All Units)	1/1/2004	1/1/2005
0 Bedroom	121	111
1 Bedroom	3,090	2,841
2 Bedrooms	8,041	7,784
3 Bedrooms	6,829	6,459
4 Bedrooms	1,498	1,416
5 Bedrooms	199	198
6 Bedrooms	4	4
7+ Bedrooms	0	0
Gender (All Residents)	1/1/2004	1/1/2005
Female	19,677	17,532
Male	11,631	10,189

	sing Demographics e CCS Database	
Housing Stock & Occupancy	1/1/2004	1/1/2005
Total Units	9,886	9,881
Occupied Units	6,118	6,768
Total Number of Residents	6,679	7,399
Average Family Size	1.1	1.1
Unit Size (All Units)	1/1/2004	1/1/2005
0 Bedroom	1,259	1,258
1 Bedroom	8,550	8,547
2 Bedrooms	76	75
3 Bedrooms	1	1
4 Bedrooms	0	0
5 Bedrooms	0	0
6 Bedrooms	0	0
7+ Bedrooms	0	0
Gender (All Residents)	1/1/2004	1/1/2005
Female	3,454	3,736
Male	3,217	3,656

	Family Housing Der from the CCS Da		
Age (All Residents)	1/1/2004	Age (All Residents)	1/1/2005
0-20	17,724	0-20	15,328
21-60	11,870	21-61	10,849
61 and over	1,714	62 and over	1,544

	Senior Housing De from the CCS I		
Age (All Residents)	1/1/2004	Age (All Residents)	1/1/2005
0-20	10	0-20	9
21-60	1,384	21-61	1,403
61 and over	5,285	62 and over	5,987

· · · · · · · · · · · · · · · · · · ·	ing Demographics CCS Database	
Race & Ethnicity (All Residents)	1/1/2004	1/1/2005
White	2,569	2,612
Black	28,509	24,889
Native/Alaskan	79	78
Asian/Pacific Islander	149	48
Other	2	6
Hispanic*	2,348	2,385
Annual Income Range (Number of Households) & Average Annual Househ		2,385
Annual Income Range		2,385 1/1/2005
Annual Income Range (Number of Households) & Average Annual Househ	nold	
Annual Income Range (Number of Households) & Average Annual Households)	nold 1/1/2004	1/1/2005
Annual Income Range (Number of Households) & Average Annual Houset Income \$0-3,999	nold 1/1/2004 4,091	1/1/2005 3,784
Annual Income Range (Number of Households) & Average Annual Households) Income \$0-3,999 \$4,000-7,999	1/1/2004 4,091 3,401	1/1/2005 3,784 2,923
Annual Income Range (Number of Households) & Average Annual Households) Income \$0-3,999 \$4,000-7,999 \$8,000-15,999	1/1/2004 4,091 3,401 1,447	1/1/2005 3,784 2,923 1,339
Annual Income Range (Number of Households) & Average Annual Households) Income \$0-3,999 \$4,000-7,999 \$8,000-15,999 \$16,000-27,999	1/1/2004 4,091 3,401 1,447 1,054	1/1/2005 3,784 2,923 1,339 903

^{*}Hispanic is categorized as an ethnic code and may be listed in several race categories.

Family Housing Demographics from the CCS Database						
Selected Income Sources						
(Number of Households)	1/1/2004	1/1/2005				
Employed	3,681	3,569				
SSI	3,294	3,237				
Social Security	1,924	1,886				
TANF**	1,553	1,196				
Area Median Income (AMI)						
(All households)	1/1/2004	1/1/2005				
Number of households with income <30% of AMI	8,805	7,726				
Number of households with income 30-50% of AMI	971	996				
Number of households with income 51-80% of AMI	420	552				
Number of households with income 81% or greater of						
AMI	209	178				
**************************************	200	110				

^{**}TANF includes AFDC, Earnfare, and General Assistance

Senior Housing Demographics from the CCS Database				
Race & Ethnicity (All Residents)	1/1/2004	1/1/2005		
White	1,982	2,131		
Black	4,107	4,530		
Native/Alaskan	53	101		
Asian/Pacific Islander	490	466		
Other	47	38		
Hispanic*	428	552		
Annual Income Range (Number of Households) & Average Annual Household				
Annual Income Range		552 1/1/2005		
Annual Income Range (Number of Households) & Average Annual Household Income				
Annual Income Range (Number of Households) & Average Annual Household Income \$0-3,999	1/1/2004	1/1/2005		
Annual Income Range (Number of Households) & Average Annual Household	1/1/2004 2,129	1/1/2005 2,392		
Annual Income Range (Number of Households) & Average Annual Household Income \$0-3,999 \$4,000-7,999	1/1/2004 2,129 2,628	1/1/2005 2,392 2,679		
Annual Income Range (Number of Households) & Average Annual Household Income \$0-3,999 \$4,000-7,999 \$8,000-15,999	1/1/2004 2,129 2,628 1,269	1/1/2005 2,392 2,679 1,557		
Annual Income Range (Number of Households) & Average Annual Household Income \$0-3,999 \$4,000-7,999 \$8,000-15,999 \$16,000-27,999	1/1/2004 2,129 2,628 1,269 78	1/1/2005 2,392 2,679 1,557 124		

^{*}Hispanic is categorized as an ethnic code and may be listed in several race categories.

Senior Housing Demographics from the CCS Database				
Selected Income Sources				
(Number of Households)	1/1/2004	1/1/2005		
Employed	206	299		
SSI	3,695	3,776		
Social Security	3,587	4,167		
TANF**	867	939		
Area Median Income (AMI)				
(All households)	1/1/2004	1/1/2005		
Number of households with income <30% of AMI	5,857	6,362		
Number of households with income 30-50% of AMI	219	325		
Number of households with income 51-80% of AMI	37	73		
Number of households with income 81% or greater of				
AMI	5	8		

^{**}TANF includes AFDC, Earnfare, and General Assistance

APPENDIX C: PUBLIC HOUSING WAIT LIST DEMOGRAPHIC INFORMATION

Public Housing Wait Lists Demographics as of January 1, 2005

Area Median Income

	Total		Number of applicants with income	Number of applicants with income 30-50%	Number of applicants with income 51-	Number of applicants with income 81% or	
Wait List	Applicants	Total Persons	<30% of AMI	of AMI	80% of AMI	greater of AMI	Disabled
Family Wait List	35,259	100,737	33,447	1,514	228	70	3,915
Senior Wait Lists	8,664	10,105	8,183	425	53	3	5,877
No Preference Wait List*	14,988	39,470	13,847	902	217	22	3,660
Total	58,911	150,312	55,477	2,841	498	95	13,452

	Race						
Wait List	White	Black	Indian/ Alaskan	Asian/ Pacific Islander	Other	Unknown	Hispanic**
Family Wait List	34,176	62,978	174	1,493	1,031	885	21,312
Senior Wait Lists	3,414	5,598	228	742	75	48	1,536
No Preference Wait List*	5,819	28,693	46	344	2,876	1,692	3,881
Total	43,409	97,269	448	2,579	3,982	2,625	26,729

^{*} Applicants on the Wait List that did not indicate a preference for a type of housing development. The CHA allows these individuals to make their choice during their eligibility interview.

^{**} Hispanic is categorized as an ethnic code and may be listed in several race categories.

APPENDIX D: HOUSING CHOICE VOUCHER (HCV) PROGRAM DEMOGRAPHIC INFORMATION

Demographics of Current HCV Program Participants as of 12/31/04

Total HCV Program Participants			104,349
	Heads of Household	Other Household Members	Total
Age			
Age 62 and over	5,241	683	5,924
Under age 62	30,800	67,624	98,424
Unknown/Pending	1	0	1
Race			
White	5,033	7,680	12,713
Black	30,892	60,469	91,361
Other	107	133	240
Unknown/Pending	10	25	35
Ethnicity			
Hispanic	4,089	7,166	11,255
Non-Hispanic	31,948	61,132	93,080
Unknown/Pending	5	9	14
Disabled Population			
Handicapped/Disabled	12,007	4,574	16,581

Demographics of Current HCV Program Participants as of 12/31/04

Total

Bedroom Breakdown

0 Bedroom	1,654
1 Bedroom	5,258
2 Bedrooms	20,779
3 Bedrooms	44,188
4 Bedrooms	20,456
5 Bedrooms	8,807
6 Bedrooms	2,304
7 Bedrooms	617
8 + Bedrooms	286
Unknown/Pending	0

Rent and Payments	Total
Average Contract Rent	\$940
Average HAP	\$762
Average Total Tenant Payment	\$228

Income	Total
Average Gross Annual Income	\$8,272
Average Adjusted Annual Income	\$9,073
Percentage of households with	
Wage Income	30%
Households with annual income	
above 30% of Area Median	
Income	4,667
Households with annual income	
below 30% of Area Median	
Income	31,375
Unknown/Pending	0

Demographics of Current HCV Program Wait List as of 12/31/04					
Total HCV Program Applicants	9,723				
	Total				
Age					
Age 62 and over	764				
Under age 62	8,958				
Unknown/Pending	1				
Race					
White	1,269				
Black	8,120				
Other	52				
Unknown/Pending	282				
Ethnicity					
Hispanic	1,149				
Non-Hispanic	8,392				
Unknown/Pending	182				
Disabled Population	1,811				

APPENDIX E: STRUCTURAL DEMOLITION FY2004

	Planned for	Started in	Completed in	Variance (Completed in FY2004-Planned for
Address	FY2004	FY2004	FY2004	FY2004-Plainled for FY2004)
Grace Abbott Homes High Rises				
1433 W 13TH ST*,**			150	150
Subtotal:	0	0	150	150
Jane Addams Homes				
1255 W TAYLOR ST	63	0	0	-63
1269 W CABRINI ST	34	34	34	0
917 S ADA ST	41	0	0	-41
1207 W CABRINI ST	15	15	15	0
1231 W CABRINI ST	15	15	15	0
1261 W CABRINI ST	24	24	24	0
822 S LYTLE ST	38	38	38	0
844 S LYTLE ST	32	32	32	0
1248 W TAYLOR ST	38	0	0	-38
829 S ADA ST	28	28	28	0
Subtotal:	328	186	186	-142
Francis Cabrini Extension South				
364 W OAK ST	65	0	0	-65
929 N HUDSON AVE	68	0	0	-68
939 N HUDSON AVE	68	0	0	-68
365 W OAK ST	65	0	0	-65
911 N SEDGEWICK ST	68	0	0	-68
923 N SEDGEWICK ST	68	0	0	-68
Subtotal:	402	0	0	-402
William Green Homes				
630 W EVERGREEN AVE	144	0	0	-144
1340 N LARRABEE ST	144	0	0	-144
714 W DIVISION ST	134	0	0	-134
Subtotal:	422	0	0	-422

Address	Planned for FY2004	Started in FY2004	Completed in FY2004	Variance (Completed in FY2004-Planned for FY2004)
Governor Henry Horner Homes				
1850 W WASHINGTON ST	65	65	0	-65
1900 W WASHINGTON ST	65	65	65	0
1920 W WASHINGTON ST	65	65	65	0
141 WOLCOTT/1847 LAKE ST	231	0	0	-231
Subtotal:	426	195	130	-296
Rockwell Gardens				
2514 W VAN BUREN ST*,**			140	140
2517 W ADAMS ST	138	0	0	-138
Subtotal:	138	0	140	2
Stateway Gardens				
3616 S STATE ST*,**			132	132
Subtotal:	0	0	132	132
Robert Taylor Homes				
4947 S FEDERAL ST	158	158	0	-158
4037 S FEDERAL ST*,**			157	157
4946 S STATE ST*,**			158	158
Subtotal:	158	158	315	157
Washington Park				
WP Low Rises				
4016-18 S PRAIRIE AVE^	0	12	12	12
6127-41 S CALUMET AVE	8	0	0	-8
6145-59 S CALUMET AVE	8	0	0	-8
4212 S WABASH AVE	12	12	12	0
4216 S WABASH AVE	12	12	12	0
4220 S WABASH AVE	12	12	12	0
4224 S WABASH AVE	12	12	12	0
Subtotal:	64	60	60	-4

	Planned for	Started in	Completed in	Variance (Completed in FY2004-Planned for
Address	FY2004	FY2004	FY2004	FY2004)
Ida B. Wells Homes and Extension/				
Madden Park Homes/Clarence Darrow Homes				
Wells Homes				
3740-3756 S COTTAGE GROVE AVE	12	0	0	-12
647-655 E 37TH PL	6	0	0	-6
650-658 E 38TH ST	6	0	0	-6
657-665 E 37TH PL/660-668 E 38TH ST	12	0	0	-12
670-686 (674) E 38TH ST	12	0	0	-12
701-709 E 37TH PL	6	0	0	-6
710-726 (714) E 38TH ST	12	0	0	-12
725 E 37TH PL/728 E 38TH ST	12	0	0	-12
735-743 E 37TH PL/738-746 E 38TH ST	12	0	0	-12
748-758 E 38TH ST	6	0	0	-6
757 E 37TH PL/760 E 38TH ST	12	0	0	-12
767-777 (773) E 37TH PL	9	0	0	-9
770-774 (772) E 38TH ST	3	0	0	-3
776-786 E 38TH ST	6	0	0	-6
700-708 (704) E 38TH ST	6	0	0	-6
667 E 37TH PL	6	0	0	-6
679 E 37TH PL/688 E 38TH ST	12	0	0	-12
713 E 37TH PL	6	0	0	-6
745 E 37TH PL	6	0	0	-6
779 E 37TH PL	4	0	0	-4
679-693 E 37TH ST	10	0	0	-10
3709 S VINCENNES AVE	10	0	0	-10
3726 S COTTAGE GROVE	12	0	0	-12
3741 S VINCENNES AVE	12	0	0	-12
3809 S VINCENNES AVE	12	0	0	-12
3841 S VINCENNES AVE	12	0	0	-12

Address	Planned for FY2004	Started in FY2004	Completed in FY2004	Variance (Completed in FY2004-Planned for FY2004)
Ida B. Wells Homes and Extension/				
Madden Park Homes/Clarence Darrow Homes				
Wells Homes				
600 E 39TH ST	6	0	0	-6
601 E 37TH PL	6	0	0	-6
601 E 38TH PL	4	0	0	-4
601 E 38TH ST	4	0	0	-4
605 E 37TH ST	10	0	0	-10
606 E 38TH PL	6	0	0	-6
606 E 38TH ST	6	0	0	-6
617 E 38TH PL	6	0	0	-6
618-620 E 38TH ST	12	0	0	-12
610 E 37TH PL	4	0	0	-4
612 E 39TH ST	6	0	0	-6
618 E 38TH PL/609 E 38TH ST	12	0	0	-12
627 E 38TH PL	6	0	0	-6
624-630 E 37TH PL	12	0	0	-12
629 E 38TH ST/636 E 38TH PL	12	0	0	-12
620-624 E 39TH	6	0	0	-6
623 E 37TH ST	10	0	0	-10
633 E 37TH PL	6	0	0	-6
632 E 38TH ST	6	0	0	-6
629 E 38TH PL	6	0	0	-6
630 E 39TH ST	6	0	0	-6
631 E 38TH ST	6	0	0	-6
635 E 37TH PL	6	0	0	-6
638 E 38TH PL	6	0	0	-6
638 E 38TH ST	6	0	0	-6
640 E 37TH PL	4	0	0	-4
647 E 38TH PL	6	0	0	-6
642 E 39TH ST	6	0	0	-6
649 E 37TH ST	4	0	0	-4

Address Ida B. Wells Homes and Extension/ Madden Park Homes/Clarence Darrow Homes	Planned for FY2004	Started in FY2004	Completed in FY2004	(Completed in FY2004-Planned for FY2004)
Wells Homes				
651 E 38TH ST/650-58 E 38TH PL	12	0	0	-12
657 E 37TH ST	4	0	0	-4
659 E 37TH ST	10	0	0	-10
720 E 37TH PL	4	0	0	-4
734 E 37TH PL	12	0	0	-12
750 E 37TH PL	4	0	0	-4
Subtotal:	476	0	0	-476
	Planned for FY2004	Started in FY2004	Completed in FY2004	Variance (Completed in FY2004-Planned for FY2004)

2,414

599

1,113

-1,301

Grand Totals

^{*} Structural demolition began in FY2003 and was completed in FY2004.

^{**} Structural demolition was originally planned for FY2003.

[^] Structural demolition was revised in the FY2005 Annual Plan.

APPENDIX F: DISPOSITION FY2004

Property Disposition Activity FY2004							
					Type of		
Development	Northern Boundary	Southern Boundary	Eastern Boundary	Western Boundary	Disposition		
ABLA Homes	Roosevelt Road	Blue Island Avenue	Blue Island Avenue	Racine Avenue	Ground Lease		
ABLA Homes	Cabrini Street	Roosevelt Road	Racine Avenue	Loomis, Throop, and	Ground Lease		
ADLA HOITIES	Cabrilli Street	Rooseveit Rodu	Racine Avenue	Ada Streets	Ground Lease		
Henry Horner Homes	Lake Street	Washington Boulevard	Leavitt Street	Oakley Avenue	Ground Lease		
Henry Horner Homes	Lake Street	Washington Boulevard	Hermitage Avenue	Wood Street	Ground Lease		
Hilliard Center	Cullerton Street	Cermak Road	State Street	Dearborn Street	Ground Lease		
Madden Park Homes/Ida B. Wells Extension	38th Street	Pershing Road	Alley West of Lake Park	Cottogo Crovo Avonuo	Ground Lease		
and Homes/Darrow Homes	Sour Street	Avenue Avenue		Cottage Grove Avenue	Ground Lease		
Madden Park Homes/Ida B. Wells Extension	37th Place	Dorobing Bood	Cottogo Crovo Avonuo	Vincennes Road	Ground Lease		
and Homes/Clarence Darrow Homes	37 th Place	Pershing Road	Cottage Grove Avenue	vincennes Roau	Ground Lease		
Madden Park Homes/Ida B. Wells Extension	38th Street	Dorobing Bood	Cottago Crovo Avenue	Landlay Bood	Ground Lease		
and Homes/Clarence Darrow Homes	Sour Street	Pershing Road	Cottage Grove Avenue	Langley Road	Ground Lease		
Madden Park Homes/Ida B. Wells Extension	26th Stroot	Porching Road	South Lake Dark Avenue	Cottogo Crovo Avenue	Cround Lossa		
and Homes/Clarence Darrow Homes	36th Street	Pershing Road	South Lake Park Avenue	Cottage Grove Avenue	Ground Lease		
Robert Taylor Homes	43rd Street	42nd Street (Root Street)	State Street	Dan Ryan Expressway	Ground Lease		

Street Disposition Activity FY2004							
Development	New Street	Boundary	Boundary	Type of Disposition			
Madden Park Homes/Ida B. Wells Extension	38th Street	20th Street Landley Book		Dight of way			
and Homes/Clarence Darrow Homes	Sour Sueer	Langley Road	Alley East of Ellis Avenue	Right of way			
Madden Park Homes/Ida B. Wells Extension	38th Place	Landley Bood	Alloy Fact of Ellip Avenue	Dight of way			
and Homes/Clarence Darrow Homes	Sour Place	Langley Road	Alley East of Ellis Avenue	Right of way			

Scattered Site Property Disposition Activity FY2004					
Address	Type of Disposition				
1247-51 South Sawyer Ave.	Land Exchange				
1335-49 South Independence Blvd.	Ground Lease				
3600 South Vincennes Ave.	Land Exchange				
1400-10 South Albany/301-15 West Douglas	Land Exchange				
4434 South Hermitage Ave.	Land Exchange				
12939-41 South Halsted St.	Land Exchange				
4201 South Berkeley Ave.	Land Exchange				
4209 South Berkeley Ave./	Land Evahanda				
4206 South Greenwood Ave.	Land Exchange				
Two parcels at 3500 West Douglas	Land Exchange				
3045 West Franklin Boulevard Blvd.	Land Exchange				
443 North Albany Ave.	Land Exchange				
443 North Whipple St.	Land Exchange				

CHICAGO HOUSING AUTHORITY BUDGET VS. ACTUAL VARIANCE ANALYSIS YEAR END DECEMBER 30, 2004 CAPITAL EXPENSES

The overall budget for the Capital Program is \$265.8 million for FY2004 versus actual expenses of \$192.5 million. The overall positive variance for the Capital Program is \$73.3 million (27.6%).

FOOTNOTES

(1) Category 1 Existing Developments – The year-to-date (YTD) expenditures for Category 1 are \$20.7 million (45.7%) under budget. Key elements of the variances are as follows:

<u>Hilliard Center</u> –The \$4.3 million positive variance is due to a delay in the closing of Phase II. Phase II will close once financing issues have been resolved between the City of Chicago and the Developer. The anticipated closing date for Phase II is April 2005.

<u>Henry Horner Homes</u> – The \$0.6 million positive variance is due to unresolved developer issues which delayed Phase IIA Mid-rise from closing in October to December 30, 2004. Construction is anticipated to commence in January 2005.

<u>Cabrini Homes Extension North</u> – The \$14.4 million positive variance is due to a delay in closing River Village North and South due to on-going negotiations between the developer and Cabrini Local Advisory Council (LAC). The transaction is scheduled to close in FY2005.

- <u>ABLA</u> The \$1.0 million positive variance is due to delays in closing Roosevelt Square Phase 1 caused by an unresolved issue in the construction costs, which delayed the closing of Roosevelt Square Phase 1.
- (2) Category 2 Senior Housing The \$0.9 million (1.2%) positive variance is primarily due to a delay in the delivery of blinds for Judge Fisher Apartments and bi-fold doors for 494 units for Webster, Lincoln, and Sheffield Apartments. The overall senior program is on schedule. 389 units were turned over during the 4th Quarter.
- (3) Category 3 Scattered Sites The \$0.6 million (4.1%) positive variance is the result of on-going work to be completed on 300 common area locations plus 20 additional dwelling units. Planning and architectural work has begun on ADA (American Disabilities Act) units.
- (4) Category 4 Non 202 Family Properties The YTD expenditures for Category 4 are \$18.4 million (68.8%) under budget. Key elements of the variances are as follows:
 - <u>Category Wide</u> The \$2.2 million positive variance is due to less than anticipated construction management and architectural and engineering activities. There is a direct correlation between construction management fees and construction activity performed at each property.

<u>Lake Parc</u> – The \$1.2 million positive variance is due to delays in the installation of air conditioners. This delay was caused by electrical issues. Air conditioners work should be completed during 1st Quarter of FY2005. Windows, doors, and roof replacement work have been completed.

<u>Washington Park</u> – The \$0.7 million positive variance is due to delays in locating vacant units to relocate residents. Construction on the planned 56 units for the LAC at Washington Park has been delayed.

<u>Lawndale Gardens</u> – The \$1.8 million positive variance is due to delays in selecting the Prime Design Consultant. Construction will commence in FY2008.

<u>Bridgeport Homes</u> – The \$4.2 million positive variance is due to construction delays caused by land remediation issues that are currently being resolved by Peoples Energy in phases. The first phase has been completed by Peoples Energy. Construction activity restarted October 2004.

<u>Lowden Homes</u> – The \$8.2 million positive variance is due to delays in construction caused by the removal of the current contractor for deficiencies in scheduling and poor workmanship. Time and material contractor has been hired to complete the remaining work.

(5) Category 5 202 Family Properties - The YTD expenditures for Category 5 are \$19.6 million (\$51.9%) under budget. Key elements of the variances are as follows:

<u>Category Wide</u> – The \$1.7 million positive variance is due to less than anticipated construction management and architectural and engineering activities. There is a direct correlation between construction management fees and construction activity performed at each property.

<u>Altgeld Gardens</u> – The \$2.3 million positive variance is primarily due to delay in the selection of a general contractor as a result of changes in the scope of work to include fencing around the property perimeter. Design documents are being finalized and bid documents are 95% complete. Construction is anticipated to start 1st Quarter of FY2005.

Rockwell Gardens – The \$3.2 million positive variance is due to developer related issue which delayed Phase 1B from closing in September 2004. The anticipated closing for Phase 1B is 1st Quarter of FY2005.

<u>Trumbull Park</u> – The \$3.5 million negative variance is due to greater than anticipated construction.

<u>Robert Taylor Homes</u> – The \$8.3 million positive variance is due to financing and developer related issues that are currently being addressed. The anticipated closing date for Phase 1-A is 3rd Quarter of FY2005.

<u>Stateway Gardens</u> - The \$7.5 million positive variance is due to time delays in the process of getting City of Chicago approval on the Tax Increment Funding Redevelopment Agreement and Plan Development. City Council approval is also required for infrastructure changes. Anticipated closing date for Park Boulevard is May 5, 2005. Construction activity has commenced on Phase 1A - The Pershing.

(6) City/State - The YTD expenditures for City/State are \$2.3 million (39.7%) under budget. Work on these City/State developments has been deferred to FY2005.

(7) Total Operations – The YTD expenditures for Total Operations are \$10.8 million (17.4%) under budget. Key elements of the variance are as of follows:

<u>Development Management (Administrative)</u> – The \$1.4 million positive variance is primarily due to positions that remained vacant during 2004. In addition, there was less than anticipated use of consultants for mixed finance deals.

<u>Development Management (Remediation)</u> - The \$8.2 million positive variance is due to delays in closing Category 1 and Category 5 developments.

Other Administrative Costs - The \$0.5 million positive variance is primarily due to less than anticipated expenditures for consultant fees and tenant service contracts.

<u>Make Ready</u> – The \$0.9 million positive variance is due to delays in identifying Make Ready units which will be used for relocation purposes.

CHICAGO HOUSING AUTHORITY BUDGET VS. ACTUAL VARIANCE ANALYSIS CAPITAL PROGRAMS EXPENDITURES YEAR ENDED DECEMBER 31, 2004 (UNAUDITED)

	Annual Capital Budget	Actual Expenditures	Positive (Negative) Variance	%
CATEGORY 1:				
Habitat Expenses	\$ -	\$ 84,685	\$ (84,685)	-
Hilliard Center	5,889,226	1,545,962	4,343,264	73.7%
Washington (St. Edmunds)	655,966	243,497	412,469	62.9%
Henry Horner Homes	8,088,922	7,520,039	568,883	7.0%
Cabrini Homes Extension North	17,865,620	3,495,719	14,369,901	80.4%
ABLA	4,148,004	3,121,830	1,026,174	24.7%
Madden Park/Wells/Darrow Lake Park Crescent	4,124,817 4,442,208	4,576,963	-452,146 444,488	-11.0% 10.0%
Drexel	4,442,208 61.677	3,997,720 0	444,466 61.677	100.0%
Category 1 Total	45,276,440	24,586,415	20,690,025	45.7%
CATEGORY 2:				
Senior Housing Total	70,880,857	70,027,631	853,226	1.2%
CATEGORY 3: Scattered Sites Total	17,166,171	16,466,308	699,863	4.1%
Coultered Oiles Total		10,400,000		4.170
CATEGORY 4:				
Category Wide	3,594,980	1,407,221	2,187,759	60.9%
Lake Parc	3,090,789	1,868,031	1,222,758	39.6%
Washington Park	1,438,643	733,752	704,891	49.0%
Lawndale Gardens	2,024,229	254,373	1,769,856	87.4%
Bridgeport Homes Wentworth Homes	4,476,878 1,157,272	255,046 1,024,608	4,221,832 132,664	94.3% 11.5%
Lowden Homes	10,953,524	2,796,520	8,157,004	74.5%
Category 4 Total	26,736,315	8,339,551	18,396,764	68.8%
CATEGORY 5:				
Category Wide	1,853,898	110,236	1,743,662	94.1%
Altgeld Gardens/Phillip Murray	4,857,750	2.594.481	2.263.269	46.6%
Rockwell Gardens	6,448,002	3,198,679	3,249,323	50.4%
Trumbull Park	4,350,000	7,807,653	-3,457,653	-79.5%
Robert Taylor Homes A	11,043,347	2,730,316	8,313,031	75.3%
Stateway Gardens	9,198,342	1,727,652	7,470,690	81.2%
Category 5 Total	37,751,339	18,169,017	19,582,322	51.9%
CITY/STATE:				
City/State Total	5,676,629	3,420,382	2,256,247	39.7%
OPERATIONS:				
Capital Construction (Administrative)	3,615,711	3,355,616	260,095	7.2%
Development Management (Administrative)	4,152,123	2,794,529	1,357,594	32.7%
Capital Construction (Habitability)	1,408,927	1,419,219	-10,292	-0.7%
Development Management (Remediation)	10,315,908	2,151,684	8,164,224	79.1%
Other Administrative Costs	1,186,224	661,760	524,464	44.2%
Extraordinary Maintenance Interest Expense	18,000,000 15,348,456	18,417,981 15,348,456	-417,981 0	-2.3% 0.0%
Make Ready	8,327,194	7,366,446	960,748	11.5%
Operations Total	62,354,543	51,515,691	10,838,852	17.4%
GRAND TOTAL	\$ 265,842,294	\$ 192,524,995	\$ 73,317,299	27.6%

APPENDIX H: FINANCIAL STATEMENTS

CHICAGO HOUSING AUTHORITY
COMBINED SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
AND CAPITAL EXPENDITURES - BUDGET VS, ACTUAL
PROPRIETARY FUND TYPE - ENTERPRISE FUND
YEAR ENDED DECEMBER 31, 2004 (UNAUDITED)

		Annual Budget	Actual	Positive (Negative)	%
OPERATING REVENUES:	\$	04 004 040		4 (000 000)	-0.9%
Tenant Rent Intergovernmental subsidized rent (HUD)	•	31,991,048 5,827,866	\$ 31,698,052 4,756,903	\$ (292,996) (1,070,963)	-0.9%
Administrative Fees		5,089,771	28,531,707	23,441,936	460.6%
Other Revenue		7,383,573	3,196,111	(4,187,462)	-56.7%
Total Operating Revenues (1)	_	50,292,258	68,182,773	17,890,515	35.6%
DPERATING EXPENSES:					
Administrative		106,678,198	99,021,966	7,656,232	7.2%
enant Services		57,402,929	53,209,622	4,193,307	7.3%
tilities		46,220,743	48,716,263	(2,495,520)	-5.49
Maintenance		93,422,413	92,564,372	858,041	0.99
Protective Services		26,366,762	24,987,326	1,379,436	5.29
General Expense		15,622,322	11,110,579	4,511,743	28.99
Depreciation			54,748,756	(54,748,756)	-100.09
Total Operating Expenses (2)		345,713,367	384,358,884	(38,645,517)	-11.29
NET OPERATING (LOSS)		(295,421,109)	(316,176,111)	(20,755,002)	
NON-OPERATING REVENUES:					
ntergovernmental Revenue (HUD)		635,562,138	660,290,636	24,728,498	3.99
ntergovernmental Revenue (Other)		5,305,993	3,442,705	(1,863,288)	-35.19
Non-Intergovernmental Revenue		477,075	290,528	(186,547)	-39.19
nvestment Income		1,820,000	8,307,796	6,487,796	356.59
Total Non-operating Revenues (3)		643,165,206	672,331,665	29,166,459	4.59
NON-OPERATING EXPENSES:					
Interest Expense		16,023,456	6,796,717	9,226,739	57.69
Housing Assistance Payments (Section 8)		331,456,998	349,090,950	(17,633,952)	-5.39
Bond Issuance Cost Amortization		-	371,933	(371,933)	-100.09
Loss on Disposition of Assets			1,937,642	(1,937,642)	-100.09
Total Non-operating Expenses (4)		347,480,454	358,197,242	(10,716,788)	-3.19
NET NON-OPERATING (LOSS)	-	295,684,752	314,134,423	39,883,247	13.5%
NCOME (LOSS) BEFORE CONTRIBUTIONS		263,643	(2,041,688)	(2,305,331)	-874.49
Intergovernmental Capital Contributions (HUD and Other) (5)		160,693,996	95,819,919	(64,874,077)	-40.4%
CHANGE IN NET ASSETS		160,957,639	93,778,231	(67,179,408)	-41.7%
Capital Revenue Bonds (6)		58,887,308	50,013,330	(8,873,978)	-15.19
CHANGE IN NET ASSETS AND CAPITAL					
DEBT PROCEEDS		219,844,947	143,791,561	(76,053,386)	-34.69
CAPITAL EXPENDITURES:		19,423,021	15,445,210	3,977,811	20.59
Fees and Costs					80.89
Equipment		1,908,110	365,708	1,542,402	
Site acquisitions		44 004 400	741,138	(741,138)	-100.09
Site Improvements		11,004,189	2,463,765	8,540,424	77.69 26.69
Dwelling structures		166,137,346	121,870,036	44,267,310	-707.69
Non-dwelling structures		466,826	3,769,966	(3,303,140)	
Contingency Demolition		1,446,870	-	1,446,870	100.09
Total Capital Expenditures (7)	_	19,458,585 219,844,947	3,997,296 148,653,119	15,461,289 71,191,828	79.59 32.49
			\$ (4,861,558)		
NET INCOME (LOSS) BEFORE ADDBACKS:					
Add Back Non-Budgeted Items:			E# 740 750		
Add Back Non-Budgeted Items: Depreciation			54,748,756		
Add Back Non-Budgeted Items: Depreciation Bond Issuance Cost Amortization			371,933		
Add Back Non-Budgeted Items: Depreciation Bond issuance Cost Amortization Loss on Disposition of Assets			371,933 1,937,642		
Add Back Non-Budgeted Items: Depreciation Bond Issuance Cost Amortization Loss on Disposition of Assets Site acquisitions			371,933 1,937,642 741,138		
Bond Issuance Cost Amortization Loss on Dispostion of Assets			371,933 1,937,642		

YEAR ENDED DECEMBER 31, 2004 (UNAUDITED)				HOUSING CHOICE		
	GENERAL		CITY STATE	VOCHERS	OTHER GRANT	
	FUND	HOPE VI	HOUSING	SECTION 8 PRGM	PROGRAMS	Total
OPERATING REVENUES:						
Tenant rent	\$ 30,273,048 \$	- \$	887,469		\$ 537,535 \$	31,698,052
Intergovernmental subsidized rent (HUD)			4,756,903			4,756,903
Administrative fees	26,145,342			2,386,365		28,531,707
Other revenue	949,359		27,087	14,753	2,204,912	3,196,111
Total Operating Revenues	57,367,749		5,671,459	2,401,118	2,742,447	68,182,773
OPERATING EXPENSES:						
Administrative	92,834,895	1,198,405	1,099,488	746,799	3,142,379	99,021,966
Tenant Services	47,537,579	1,337,726	11,123	682,269	3,640,925	53,209,622
Utilities	47,447,498	-	1,267,432	1,333	-	48,716,263
Ordinary Maintenance	88,163,423	9,008	4,324,822	18,573	48,546	92,564,372
Protective services	23,790,328	265,000	523,260	8,738	400,000	24,987,326
General Expense	10,397,040	-	181,485	31,077	500,977	11,110,579
Depreciation	54,730,550		11,406	<u>-</u> _	6,800	54,748,756
Total Operating Expenses	364,901,313	2,810,139	7,419,016	1,488,789	7,739,627	384,358,884
NET OPERATING INCOME/(LOSS)	(307,533,564)	(2,810,139)	(1,747,557)	912,329	(4,997,180)	(316,176,111)
NON-OPERATING REVENUES:						
Intergovernmental Revenue (HUD)	625,976,685	2,813,485	_	30,068,397	1,432,069	660,290,636
Intergovernmental (Other)	-	2,020,400	_	-	3,442,705	3,442,705
Other Operating Grants	-	_		-	290,528	290,528
Investment Income	7,091,303	_	10,420	1,115,734	90,339	8,307,796
Total Non-Operating Revenues	633,067,988	2,813,485	10,420	31,184,131	5,255,641	672,331,665
NON-OPERATING EXPENSES:						
NON-OPERATING EXPENSES: Interest Expense	6,796,717	_	_	_	_	6,796,717
Housing Assistance Payments (Section 8)	319,227,902	-		29,863,048		349,090,950
Bond Issuance Cost Amortization	371,933	-	_	20,000,010	-	371,933
Loss on Disposition of Assets	1,391,569	_	-	-	546,073	1,937,642
Total Non-Operating Expenses	327,788,121			29,863,048	546,073	358,197,242
WAS 17 (000 PT-00 00 PT-00 PT-00 00 PT-00 PT-00 00 PT-00 00 PT-00 00 PT-00 00 PT-00 00 PT-00 00 PT-00 PT-00 00 PT-00	(0.000.000)		// TOT /OT	2,233,412	(007.040)	(0.044.000)
INCOME (LOSS) BEFORE CONTRIBUTIONS Intergovernmental Capital Contributions (HUD)	(2,253,697) 71,002,063	3,346 22,115,887	(1,737,137) -	2,233,412	(287,612) 2,701,969	(2,041,688) 95,819,919
CHANGE IN NET ASSETS	68,748,366	22,119,233	(4.707.407)	2,233,412		93,778,231
		22,119,233	(1,737,137)	2,233,412	2,414,357	
Capital Revenue Bonds	50,013,330	-	•	•	•	50,013,330
NON-OPERATING CAPITAL EXPENSES						
Fees and Costs	14,181,218	94,857	-	-	1,169,135	15,445,210
Equipment	(6,795)	372,503	-	-	·	365,708
Site acquisitions	474,442	-	-	-	266,696	741,138
Site Improvements	2,234,165	-	•	-	229,600	2,463,765
Dwelling structures	113,012,628	6,303,270	-	-	2,554,138	121,870,036
Non-dwelling structures Contingency	297,250	•	•	•	3,472,716	3,769,966
Demolition	1,541,855	2,455,441	_	_		3,997,296
Total Non-Operating Capital Expenses	131,734,763	9,226,071	-	-	7,692,285	148,653,119
NON-OPERATING GAIN (LOSS) RELATED TO CAPITAL	(81,721,433)	(9,226,071)	•	-	(7,692,285)	(98,639,789)
NET LOSS	(12,973,067)	12,893,162	(1,737,137)	2,233,412	(5,277,928)	(4,861,558)
LESS: DEPRECIATION	54,730,550	-	11,406	-	6,800	54,748,756
BOND ISSUANCE COST AMORTIZATION	371,933	-	-	-	-	371,933
LOSS ON DISPOSITION OF ASSETS	1,391,569	-	-	-	546,073	1,937,642
SITE ACQUISITIONS	474,442	-	-	-	266,696	741,138

CHICAGO HOUSING AUTHORITY PROPRIETARY FUND TYPE - ENTERPRISE FUND STATEMENTS OF NET ASSETS AS OF DECEMBER 31, 2004 AND 2003 (UNAUDITED)

		2004		2003
ASSETS: Current Assets:				
Cash and Cash Equivalents, Unrestricted	\$	88.111.571	\$	77.743.723
Cash and Cash Equivalents, Restricted	•	10,312,194	•	2,409,697
Investments at Fair Value, Unrestricted		155,963,049		178,030,714
Tenant Accounts Receivable, Net of Allowance		1.137.434		744,432
Intergovernmental Receivable (HUD)		39,541,670		57,359,691
Intergovernmental Receivable (Other), Net of Allowance		2,741,789		431,446
Miscellaneous Receivable		2,001,504		1,732,054
Interest Receivable, Current Portion		818,734		558,058
Notes and Mortgages Receivable, Current Portion		78,888		66,514
Prepaid Expenses		2,458,488		2,017,010
Advances to Resident and Private Managers		189,595		806,659
Total Current Assets		303,354,916		321,899,998
Noncurrent Assets:				
Cash and Cash Equivalents, Restricted		2,731,892		3,311,029
Investments at Fair Value, Restricted		32,824,310		32,500,000
Pension Benefit Asset, Restricted		7,996,852		8,068,072
Notes and Mortgages Receivable, Net of Current Portion		78,894,048		56,875,863
Interest Receivable		3,241,894		2,024,516
Other Noncurrent Assets		2,553,028		2,685,344
Land, Structures & Equipment, Net of Accumulated Depreciation		1,208,607,138		1,110,092,184
Total Noncurrent Assets		1,336,849,162		1,215,557,008
TOTAL ASSETS	\$	1,640,204,078	\$	1,537,457,006
LIABILITIES AND NET ASSETS:				
Current Liabilities:				
Accounts Payable	\$	22,543,804	\$	23,249,264
Intergovernmental Payable (HUD)		2,510,476		4,489,823
Accrued Wages & Payroll Taxes		784,566		2,231,046
Accrued Compensated Absences		1,270,137		1,158,701
Accrued Interest Payable		7,702,838		7,705,769
Accrued Liabilities		83,926,223		80,208,894
Tenant Security Deposits		1,125,377		983,040
Deferred Revenue		2,121,086		1,980,310
Insurance Reserves, Current Portion		9,864,004		8,267,352
Capital Lease Obligations, Current Portion		225,516		95,783
Current Maturities, Long-Term Debt and Current Portion of				
Net Unamortized Bond Premium		4,792,977		4,616,764
Other Current Liabilities		22,152,316		26,263,881
Total Current Liabilities		159,019,320		161,250,627
Noncurrent Liabilities:		1.836.439		2.413.201
Family Self-Sufficiency Liability Insurance Reserves, Net of Current Portion		31,659,658		33,874,390
Capital Lease Obligations, Net of Current Portion		26,496,214		12,457,706
Long-Term Debt, Net of Current Maturities and Current Portion of Net Unamortized Bond Premium		346.736.099		349.834.565
		,		
Other Noncurrent Liabilities		4,024,729		3,205,673
Total Noncurrent Liabilities		410,753,139		401,785,535
Total Liabilities		569,772,459		563,036,162
Net Assets: Invested in Capital Assets, Net of Related Debt		902.287.968		856,861,276
Restricted for:		302,201,308		000,001,270
Capital Projects and Demolition Grants		(260,787)		3,915,551
Pension Benefit Asset		7,996,852		8,068,072
Unrestricted		160,407,584		105,575,945
Total Net Assets		1,070,431,617		974,420,844

The notes to the basic financial statements are an integral part of these statements.

CHICAGO HOUSING AUTHORITY

COMBINED SCHEDULE OF REVENUES AND EXPENSES

BUDGET VS. ACTUAL VARIANCE ANALYSIS

ALL PROGRAMS

YEAR ENDED DECEMBER 31, 2004 (UNAUDITED)

Total FY2004 Budgeted Expenses were \$913.0 million versus actual expenses of \$891.6 million for the fiscal year. Major variances in revenue and expenses were due to 1) a Housing Assistance Payment (HAP) funding rate adjustment at year-end for the housing choice voucher 2) delays in the execution of planned construction management activity, including the bid and selection process for contractors 3) complexities in developer negotiations, and 4) architectural design issues which caused timing differences between planned and actual capital fund expenses.

FOOTNOTES:

(1) Total Operating Revenues - The CHA has the flexibility to combine all operating, capital, and Housing Choice Voucher (HCV) grants into the General Fund (Operating, Capital, and Housing Choice Voucher (HCV)). The combined funds can be used for any Moving To Work (MTW)-related purpose. Total FY2004 Operating Revenues are \$17.9 million over budget. The major elements of the operating revenue budget variance are as follows:

Intergovernmental Subsidized Rent (HUD). The \$1.1 million (18.4%) negative variance is directly related to a 19.6% reduction in budgeted units leased from 741 to 596. This is primarily due to the closure of Maplewood Courts and the reduction in units leased at various City/State properties.

<u>Administrative Fees</u>. The positive variance of \$23.4 million (460.6%) is due to a HAP funding rate adjustment at year-end, which resulted in the recognition of Administrative Fees earned in the HCV Program for FY2004.

Other Revenue. The \$4.1 million (56.7%) negative variance is primarily due to funds budgeted for the City/State bond deal which was deferred to FY2005 (\$2.2 million) and delays in rehabilitation activities at the 916/1000 S. Wabash building (\$1.5 million).

(2) Total Operating Expenses - Total Operating Expenses are \$38.6 million over budget. The major elements of the operating expenses budget variance are as follows:

<u>Administrative.</u> The \$7.7 million (7.2%) positive variance is primarily due to less than anticipated expenditures for: (1) consultant fees for Information Technology Services new initiatives and various administrative sundry accounts (\$3.4 million); (2) administrative salaries (\$2.0 million), (3) legal costs, training, and accounting & auditing fees (\$2.3 million).

<u>Tenant Services</u>. The \$4.2 million (7.3%) positive variance is primarily due to the deferral of MTW Relocation and Community and Support Services activities at various CHA properties to FY2005.

<u>Utilities</u>. The \$2.5 million (5.4%) negative variance is primarily related to an increase in natural gas costs. For FY2004, the average price for natural gas increased by 11.5%.

<u>Protective Services</u>. The \$1.4 million (5.2%) positive variance is due to the less than anticipated security service costs to maintain public safety at CHA properties. Private and resident management protective service spending was under by (\$0.5 million) and the intergovernmental commitment with the City of Chicago Police Department and security at CHA administrative properties were under budget by (\$0.9 million).

<u>General Expense.</u> The \$4.5 million (28.9 %) positive variance is due to fringe benefit expenses being reflected within the various payroll labor categories per HUD reporting requirements (\$4.0 million), and less than anticipated recognition of collection losses (\$0.4 million), and Terminal Leave Payments (\$0.1 million).

<u>Depreciation</u>. This non-cash expense is not included in the annual budget.

(3) Total Non-operating Revenues - Total FY2004 Non-Operating Revenues are \$29.2 over budget. Key elements of the non-operating revenue budget variance are as follows:

<u>Intergovernmental Revenue (HUD).</u> The \$24.7 million (3.9%) positive variance is primarily due to Housing Choice Voucer MTW revenues recognized as a result of funds received from HUD due to an adjustment to the HCV calculation.

<u>Intergovernmental (Other).</u> The \$1.8 million (35.1%) negative variance is primarily due to the difference in planned versus actual revenue recognized for the 2004 Summer Food Program (\$1.3 million) and various other funding sources including Moving-to-Work Technical Assistance and the Technology Opportunities Program (\$0.5 million).

Other Operating Grants. The \$187,000 (39.1%) negative variance is primarily due to less than anticipated spending in the MacArthur Program which directly affected the recognition of revenues in this program.

<u>Investment Income.</u> The \$6.5 million (356.5%) positive variance is due to unbudgeted interest income received from Capital Reserve funds (\$4.6 million) and General Fund (\$0.7 million) investments, greater than expected investment earnings on Housing Choice Voucher and MTW reserve funds (\$1.1 million), and other unbudgeted investment dollars earned in miscellaneous funds (\$0.1 million).

(4) Total Non-operating Expenses - Total Non-Operating Expenses are \$10.7 million over budget. The major components of the non-operating expense budget variance are as follows:

<u>Interest Expense.</u> The \$9.2 million (57.6%) favorable variance is primarily due to the capitalization of \$8.7 million in interest debt resulting from bond proceeds, which were used for the revitalization work of CHA housing units. In addition, there was less than anticipated interest expense recognized for various other debt deals, including the long-term capital lease commitments for various Mixed Income properties.

<u>Housing Assistance Payments (HAP).</u> The \$17.6 million (5.3%) negative variance is primarily due to a 6.0% increase of average HAP payments to landlords over budgeted rates. The actual average HAP cost of \$775 exceeds the budgeted amount of \$731 by \$44 per HAP payment.

<u>Bond Issuance Cost Amortization</u>. The \$371,933 negative variance reflects the unbudgeted amortization cost for the 2001 Capital Revenue Bond issuance.

Loss on Disposition of Assets. This non-cash expense is not included in the annual budget.

- (5) <u>Intergovernmental Capital Contributions (HUD and Other)</u> Total FY2004 Intergovernmental Capital Contributions are \$64.9 million (40.4%) under budget. This variance is due to less than anticipated construction activity, and the deferral of capital activities to FY2005 for various planned properties. Please see Appendix H for details.
- (6) <u>Capital Revenue Bonds</u> FY2004 Capital Program Revenue Bond proceeds are \$8.9 million (15.1%) under budget. The variance reflects the use of capital funding to finance rehabilitation work at various Senior and Scattered Site properties.
- (7) <u>Total Capital Expenditures</u> Total Non-Operating Capital Expenses are \$71.1 million (32.4%) under budget. Key elements of the non-operating capital expenses budget variance are located in Appendix H.
- (8) <u>Total Net Budgeted Revenue</u> Net Assets increased by (\$52.9 million), primarily due to the HAP funding rate adjustment at year-end, and more than anticipated interest income received from the investment of bond proceeds.

APPENDIX I: OMB CIRCULAR A-133 INDEPENDENT AUDIT

Chicago Housing Authority

Single Audit Report (In Accordance With the Single Audit Act of 1984 and Amendments of 1996, and OMB Circular A-133) for the Year Ended December 31, 2003

SINGLE AUDIT REPORT YEAR ENDED DECEMBER 31, 2003

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INDEPENDENT AUDITORS' REPORT ON BASIC
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WHICH IS INCORPORATED HEREIN BY REFERENCE)

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED UPON THE AUDIT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Deloitte

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED UPON THE AUDIT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners Chicago Housing Authority Chicago, Illinois

We have audited the financial statements of the Chicago Housing Authority (the "Authority") as of and for the year ended December 31, 2003, and have issued our report thereon dated April 21, 2004. We did not perform tests of the Authority's compliance with certain provisions of laws, regulations, contracts, and grants for the Chicago Housing Authority Employees' Retirement Plan (the "Plan"). The financial statements of the Plan for the year ended December 31, 2003 which, in the aggregate, represent substantially all the assets and revenues of the Fiduciary Fund Type, were audited by other auditors, whose report has been furnished to us, and our conclusions herein, insofar as they relate to this fund, are based solely upon the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

COMPLIANCE

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However,

Member of Deloitte Touche Tohmatsu we noted other matters involving internal control over financial reporting that we have reported to the Authority's management in a separate letter dated April 21, 2004.

This report is intended solely for the information and use of management, the Board of Commissioners of the Authority, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

April 21, 2004

Delatte & Touche LLP

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE APPLICABLE TO EACH MAJOR FEDERAL AWARD PROGRAM AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE APPLICABLE TO EACH MAJOR FEDERAL AWARD PROGRAM AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Board of Commissioners Chicago Housing Authority Chicago, Illinois

COMPLIANCE

We have audited the compliance of the Chicago Housing Authority (the "Authority"), with the types of compliance requirements described in the United States Office of Management and Budget ("OMB") Circular A-133 Compliance Supplement that are applicable to each of its major federal award programs for the year ended December 31, 2003. The Authority's major federal award programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal award programs is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal award program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal award programs for the year ended December 31, 2003. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs.

INTERNAL CONTROL OVER COMPLIANCE

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal award programs. In planning and performing our audit, we considered the Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal award

Member of Deloitte Touche Tohmatsu program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, the results of our auditing procedures disclosed instances regarding internal control over compliance that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Delatte & Touche LLP

We have audited the basic financial statements of the Authority, as of and for the year ended December 31, 2003, and have issued our report thereon, dated April 21, 2004. Such report was based, in part, on the report of other auditors. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. This schedule is the responsibility of the management of the Authority. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management, the Board of Commissioners of the Authority, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

April 21, 2004

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED DECEMBER 31, 2003

Fund Number	Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Grant Reference Number	December 31, 2003 Expenditures
	U.S. Department of Agriculture			
720	Illinois Summer Food: Passed through Illinois State Board of Education: Illinois Summer Food Services	10.559	14-016-301P-00	\$ 2,865,510
	Total U.S. Department of Agriculture			2,865,510
	U.S. Department of Housing and Urban Development			
095, 098, 099, 100	Low Rent Housing:			
151 190	Low Rent Housing—operations Low Rent Housing—development	14.850a 14.850b	N/A N/A	300,184,442 1,414,516
5				301,598,958
221 222 223 224 225 226 227	Capital Fund Program: Capital Fund Program—FY 2000—RHF Capital Fund Program—FY 2000 Capital Fund Program—FY 2001 Capital Fund Program—FY 2001—RHF Capital Fund Program—FY 2002 Capital Fund Program—FY 2002—RHF Capital Fund Program—FY 2003	14.872 14.872 14.872 14.872 14.872 14.872 14.872	IL06R00250100 IL06P00250100 IL06P00250101 IL06R00250101 IL06P00250102 IL06R00250102 IL06P00250103	4,978,896 1,573,023 61,931,634 8,851,538 43,246,628 9,355,932 10,338,467
220 259	Comprehensive Grant Program: Comprehensive Grant Program—IL2-711FYY 1999 Comprehensive Grant Program—IL2-711FYY 1999	14.859 14.859	IL06R00250199 IL06P00271199	2,975,884 553,747 3,529,631
192 201 202 203 205 206 207 208 210 211 212 213	HOPE VI: HOPE VI 2002 Redevelopment Program HOPE VI 2000 Demolition Grant	14.866 14.866 14.866 14.866 14.866 14.866 14.866 14.866 14.866 14.866 14.866 14.866	IL.06URD002D600 IL.06URD002D200 IL.06URD002D300 IL.06URD002D900 II.06URD002D400 IL.06URD002D400 IL.06URD002D120 II.06URD002D110 IL.06URD002D150 IL.06URD002D800 IL.06URD002D140	6,705,771 65 107,558 42 15,345 412,741 20,033 167 97,937 456,793 678,559 724,858 325,640
				(Continued)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED DECEMBER 31, 2003

Fund Number	Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Grant Reference Number	December 31, 2003 Expenditures
	U.S. Department of Housing			
	and Urban Development (Continued)			
216	HOPE VI (continued):	14000	W. 0.51 TD 0.00 TO 0.00	
273	HOPE VI 2000 Demolition Grant HOPE VI 2001 Demolition Grant	14.866	IL06URD002D700	\$ 56,757
274	HOPE VI 2001 Demolition Grant HOPE VI 2001 Demolition Grant	14.866	IL06URD002D701	1,132,238
275	HOPE VI 2001 Demolition Grant	14.866	IL06URD002D301	439,068
276	HOPE VI 2001 Demolition Grant	14.866 14.866	IL06URD002D111	3,295,763
277	HOPE VI 2001 Demolition Grant	14.866	IL06URD002D401	263,487
278	HOPE VI 2001 Demolition Grant	14.866	IL06URD002D801	520,050
279	HOPE VI 2001 Demolition Grant	14.866	IL06URD002D901	420,803
280	HOPE VI 2001 Demolition Grant	14.866	IL06URD002D601	1,143,375
285	HOPE VI 2001 Revitibalization	14.866	IL06URD002D501	1,751,354
287	HOPE VI 2000 Demolition Grant	14.866	IL06URD002I101	68,780
288	HOPE VI 1998/ Demolition Grant	14.866	IL06URD002I198 IL06URD002D598	29,232
289	HOPE VI 1998/ Demolition Grant	14.866		20,173
290	HOPE VI 1994/ Demolition Grant	14.866	IL06URD002D698	46,087
291	HOPE VI 1994/ Demontion Grant	14.866	IL06URD002I194	1,815
291	HOPE VI 1990/ Revitilization Grant	14.866	IL06URD002I196	658,759
292	HOPE VI 1996/ Revitilization Grant	14.866	IL06URD002I296	182,380
296	HOPE VI 1998/ Demolition Grant		IL06URD002I396	79,283
297	HOPE VI 1998/ Demolition Grant	14.866 14.866	IL06URD002D298 IL06URD002D398	358,779 61,282
		1 11000	12000100020000	01,202
				20,074,974
2	Substantial Rehabilitation:			
500	City/State Section 8—Substantial Rehabiliation	14.182	N/A	8,087,730
350-380, 395	Section 11b—Substantial Rehabilitation	14.182	N/A	24,288,903
				32,376,633
300, 302, 390	Section 8 Housing Choice:			
392, 393, 399	Section 8—Housing Choice Vouchers	14.871	N/A	313,147,130
***	Moderate Rehabilitation:	27.222	12040	ACT WINDS OFFICE
323-349	Section 8—Moderate Rehabiliation Housing	14.856	N/A	9,972,960
	Public Hauring Days Eliminations			
406	Public Housing Drug Elimination:	14054	II OCDEROGGGGGG	
408	Public Housing Drug Elimination Program 1999 Public Housing Drug Elimination Program 2001	14.854 14.854	IL06DEP0020199 IL06DEP0020101	1,390 515,700
		. 1100 T	100000101	313,700
				517,090
				317,070
				(Continued)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED DECEMBER 31, 2003

Fund Number	Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Grant Reference Number	December 31, 2003 Expenditures
	U.S. Department of Housing and Urban Development (Continued)			
	Elderly and Resident Services:			
885	ROSS—Elderly Services Coordinator	14.87	IL01RSV002P0028	\$ 321,583
870 888	ROSS—Resident Service Delivery Model	14.87	IL99RSF002P0037	361,170
894	ROSS—Resident Service Delivery Model ROSS—Elderly Services Coordinator	14.87 14.87	IL01RSF002P0036 IL02RSV002P0152	312,604 275,642
	,,	21107	120210 10021 0102	275,042
				1,270,999
	HUD Youth Build:			
872, 873 892	HUD Youth Build 2000	14.243	Y00-IM-IL-0151/0179	110,512
092	HUD Youth Build 2000	14.243	Y01-IM-IL-0181	116,847
				227,359
	Passed through City of Chicago Empowerment Zone:			
739	Empowerment Zone	14.244	2160-1	332,199
	Moving to Work:			
881	Moving to Work Technical Assistance Grant	14.412	MTWGI002	67,738
887	New Approach Anti-Drug Program	14.868	IL06HAD0030101	18,000
	Total U.S. Department of Housing and Urban Development			823,409,789
	U.S. Environmental Protection Agency			
	Hanklan Hannan			
	Healthy Homes: Passed through the Illinois Environmental Protection Agency:			
883	EPA Healthy Homes Education	66.951	NE-829222201-0	32,007
	Total U.S. Environmental Protection Agency			22.002
	Total C.S. Environmental Protection Agency			32,007
	U.S. Department of Justice			
	Other Grants:			
	Passed through the Illinois Office of Attorney General:			
889,896	Victims Assistance Program (2001-2002 and 2002-2003)	16.575	N/A	24,205
	Total U.S. Department of Justice			24,205
	•			
				(Continued)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED DECEMBER 31, 2003

Fund Number	Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Grant Reference Number	December 31, 2003 Expenditures
	U.S. Department of Labor			
780	Other Grants: Chicago Works	17.253	Y-7207-9-00-81-60	\$ 731,224
	Total U.S. Department of Labor			731,224
	U.S. Department of Commerce and Community Affairs			
886	Other Grants: Technology Opportunities Program (TOP)	11.552	17-60-101056	258,072
	Total U.S. Department of Commerce and Community Affairs			258,072
	GRAND TOTAL			\$827,320,807
				(Concluded)

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED DECEMBER 31, 2003

1. DESCRIPTION OF ENTITY AND PROGRAMS

The Chicago Housing Authority (the "Authority") is a municipal corporation created and organized under the laws of the State of Illinois for the purposes of engaging in the development, acquisition, leasing, operation, and administration of a Low Rent Housing Program and other federally assisted programs. All significant operations of the Authority are included in the scope of the Office of Management and Budget OMB Circular A-133 audit (the "Single Audit"). The U.S. Department of Housing and Urban Development ("HUD") has been designated as the Authority's cognizant agency for the Single Audit.

Programs Subject to Single Audit—The Schedule of Expenditures of Federal Awards is presented for each federal program related to the following agencies:

- Department of Agriculture
- Department of Housing and Urban Development
- Department of Justice
- Department of Labor
- Environmental Protection Agency
- Department of Commerce and Community Affairs

Fiscal Period Audited—Single Audit testing procedures were performed for program transactions that occurred during the year ended December 31, 2003.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting—Federal financial assistance expenditures, included in the Schedule of Expenditures of Federal Awards ("SEFA"), are accounted for in the Authority's Enterprise Fund and are recorded on the accrual basis of accounting.

The SEFA includes expenditures of the individual programs. All program outlays in the SEFA, including accrued expenditures and capital outlays, are reported as expenditures.

3. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Authority. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The amounts presented in this schedule have been reconciled to the Authority's basic financial statements.

4. FINDINGS AND NONCOMPLIANCE

The findings and noncompliance identified in connection with the 2003 Single Audit are disclosed in the Schedule of Findings and Questioned Costs.

The status of prior year findings has been included in the Schedule of Prior Audit Findings.

Of the federal expenditures presented in the schedule, the Authority provided federal awards to sub-recipients under the following programs during the year ended December 31, 2003:

Program Title	CFDA Number	Grant Reference No.	Amount Provided to Subrecipients
Public Housing Drug Elimination 2001	14.854	IL06DEP0020101	\$ 40,645
Chicago Works	17.253	Y-72707-9-00-81-60	698,658
ROSS—Elderly Service Coordinator	14.870	IL01RSV002P0028	321,583
ROSS—Resident Service Delivery Model	14.870	IL99RSF002P0037	192,303
ROSS—Resident Service Delivery Model	14.870	IL01R\$F002P0036	309,971
HUD Youth Build	14.243	Y00-IM-IL-0179	25,855
HUD Youth Build	14.243	Y00-IM-IL-0151	84,657
HUD Youth Build	14.243	Y01-IM-IL-0181	116,104
EPA Environmental Justice Grant	66.951	NE 829222201-0	32,007
TOPS	11.552	17-60-I01056	176,380

In addition to the findings in this report prepared as a result of the Single Audit conducted in accordance with OMB Circular A-133, the following reports resulting from audits conducted by federal agencies contain findings and instances of noncompliance.

U.S. Department of Justice (DOJ)— Office of the Inspector General (OIG) Audit of Weed and Seed Grants provided in 1992, 1995, and 1996—report dated July 29, 1999—The audit report concluded that the Authority's managerial and financial controls over expenditures were not adequate to ensure that expenses were properly accounted for, and that transactions were accurately recorded and supported. As a result, \$531,618 (48%) of costs charged to the grants since June 1994 were unsupported or unallowable. In addition, subgrantee monitoring policies recommended in a prior OIG audit were not implemented timely, and Financial Status Reports were neither timely nor supported.

Current Status. The Authority has resolved the \$531,618 of cost charged to this grant with DOJ and is waiting for a final closeout notice from DOJ. U.S. Department of Housing and Urban Development— Chicago Multifamily Hub Audit of Section 8—The Chicago Housing Choice Voucher Program (CHAC)—2002 Contract Administrator Review—report dated September 30, 2002. The audit report concluded that: 1) CHAC management reviews and unit inspections were not being conducted using Form HUD-9834 and HUD-9602, respectively; 2) Special Claims were not reviewed in accordance with the HUD Special Claims Guidebook; and 3) HUD noted that replacement reserve escrow balances were not being increased when a rent increase was processed for the Federal Housing Administration ("FHA") insured properties.

Current Status. CHAC has begun to use Form HUD-9834 effective October 1, 2002 to conduct the management reviews. At a recent training session the Contract Administrator was provided a newer version of this form to use. CHAC has requested that the procedure that has been in place for several years be continued for the review of special claims. CHAC implemented HUD's recommendation on the third item and requested clarification and further guidance of any actions beyond this that will be required. CHA is currently awaiting a closure notice from HUD.

U.S. Department of Housing and Urban Development—Illinois Office of Public Housing Region V Audit of Section 8—The Chicago Housing Choice Voucher Program—Rental Integrity Monitoring Review—Audit conducted in August 2002 contains 51 comments and recommendations (no questioned cost amounts) regarding the resident files for the Housing Choice Voucher Program. 51 out of 184 resident files reviewed by HUD had one or more exceptions. For one out of 184 files reviewed by HUD, the current 50058 form was not in file.

Current Status. The CHA responded on February 18, 2003 to HUD concurring with nine out of the 51 findings and questioning the remaining findings. HUD responded on March 6, 2003 stating that all findings remain open. The documents in question were submitted to HUD. CHA is currently awaiting a response from HUD.

Audit of Section 8—The Chicago Housing Choice Voucher Program—On-Site Section 8 Housing Choice Voucher management review—report dated December 18, 2002. Although the audit report did not disclose any significant operational deficiencies, the report noted that the CHAC failed to comply with certain procedural requirements.

Current Status. The CHA has followed up on each of the items and provided a response to HUD. CHA is currently awaiting a close-out notice from HUD.

CHICAGO HOUSING AUTHORITY SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED DECEMBER 31, 2003

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED DECEMBER 31, 2003

YEAR ENDED DECEMBER 31, 2003		
PART I—SUMMARY OF AUDITORS' RESULTS		,
Financial Statements	v	
Type of auditors' report issued:	Unqualified	
Internal control over financial reporting:		
Material weaknesses?	Yes	XNo
 Reportable conditions identified that are not considered to be material weaknesses? 	Yes	XNo
 Noncompliance material to financial statements noted? 	Yes	X_No
Federal Awards		
Internal control over major programs:		
Material weaknesses?	Yes	XNo
 Reportable conditions identified that are not considered to be material weaknesses? 	Yes	XNo
Type of auditors' report issued on compliance for major programs:	Unqualified	
 Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? 	X_Yes	No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) YEAR ENDED DECEMBER 31, 2003

Identification of Major Programs

U.S. Department of Housing and Urban Development

CFDA Number	Name of Federal Program or Cluster		
14.850 14.872 14.856* 14.182* 14.182*	Low Rent Housing Capital Fund Program Section 8—Moderate Rehabilitation Housing City/State Section 8—Substantial Rehabilitation Section 11b—Substantial Rehabilitation Section 8—Housing Choice Vouchers		
* Section 8 Project-Based Cluster * Section 8 Cluster			
 Dollar threshold used to distinguish Type A and Type B programs 	\$3,000,000		
 Auditee qualified as a low-risk auditee? 	Yes X No		

PART II—FINANCIAL STATEMENT FINDINGS SECTION

No findings were noted.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) LOW RENT HOUSING PROGRAM—CFDA 14.850 U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT YEAR ENDED DECEMBER 31, 2003

PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

FINDING 2003—1

QUESTIONED COSTS: NONE

In certain instances, the Authority's tenant applications were incomplete and annual tenant re-certifications were missing required documents.

Condition

Our testing of twenty-five tenant application and re-certification files, revealed deficiencies in the following areas:

Initial Application Process

- Fourteen of twenty-five tenant files were missing some form of documentation: Specific deficiencies included:
 - Four files were missing applications.
 - Two files were missing authorization for release of information.
 - •• Five files were missing Social Security Cards.
 - .. Ten files were missing birth certificates, passports and/or identification cards.
 - •• Two files were missing a signed federal Privacy Act Notice.
 - Nine files were missing the landlord information, credit reports, or security clearance forms.
 - •• Two files were missing Citizenship/Non-citizenship declaration forms.
 - One file was missing a signed lead-based paint notice.
 - •• One file was missing certified statements supporting the accuracy of information provided to CHA.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) LOW RENT HOUSING PROGRAM—CFDA 14.850 U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT YEAR ENDED DECEMBER 31, 2003

FINDING 2003—1 (Continued)

Lease Agreement & Enforcement

- Three of the twenty-five tenant files selected for testing were missing the following documentation:
 - Two files were missing the grievance notification letter.
 - Two files were missing the smoke detector/pet policy/lead-based paint notice.
 - Three files were missing the current residential landlord/tenant ordinance summary.
 - Three files were missing the current signed residential lease contract.

Financial & Residential Management Data

Two of twenty-five tenant files were missing the HUD-50058 form (Income composition).

Income Re-certification Process

- Seven out of twenty-five tenant files were missing certain documents applicable to the annual income re-certification process.
 - Two files were missing a current signed application for continued occupancy.
 - Two files were missing a current HUD form 50058—Family Report.
 - Five tenant files were missing a signed citizenship/Non-citizenship declaration form.
 - Three files were missing a current signed declaration of assets form.
 - Three files were missing an authorization for release of information.
 - Two files did not contain current signed federal privacy act notices.
 - Two files did not contain current verification of annual income for each family member over the age of 18.
 - Two files did not contain current verification of deductions for handicapped, disabled, elder, medical, child student, or child-care expenses, if applicable.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) LOW RENT HOUSING PROGRAM—CFDA 14.850 U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT YEAR ENDED DECEMBER 31, 2003

FINDING 2003—1 (Continued)

Cause

The Authority has written procedures in place regarding the completion of tenant application and re-certification files. Authority employees, as well as employees of Private Property Managers and Resident Management Companies, did not adhere to such procedures. The firms were instructed to ensure that all documents missing from the initial section are captured in other sections of the tenant files. However, there are some documents that cannot be duplicated such as the initial application. As for the missing lease agreement and enforcement information, firms are required to distribute the documents at initial lease signing. They are not required to put copies of the documents in the files. The firms are using the checklist attached to the lease agreement stating that the documents were given to the resident. The checklist was not signed by the resident as evidence of receipt. Additionally, firms did not gather the required documents at the time of re-certification.

Tenant application and re-certification training was not conducted until late in calendar year 2003.

Criteria

The Housing and Community Development Act of 1987 requires applicants to provide the Authority with the Social Security numbers of household members six years old and older. HUD Handbook Regulations require the Authority to obtain and maintain adequate documentation for the determination of tenant eligibility, order of selection, income and rent. The Authority is also required to re-certify (re-examine) the income and family composition of all tenants at least once every twelve months and document the results of such re-certifications.

Effect

Inconsistencies in obtaining required tenant documentation and in completing annual re-certification procedures can result in ineligible tenants, noncompliance with HUD regulations and incorrect computations of monthly rent. In instances where tenant wages and income are not reported or are underreported; the Authority may request reimbursements from tenants for excess housing assistance.

Recommendation

- Obtain all missing documentation and include such information in tenant's files.
- Conduct Private Property Manager and Resident Manager Management Company training, as required, to reinforce data collection and applications processing requirements.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) LOW RENT HOUSING PROGRAM—CFDA 14.850 U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT YEAR ENDED DECEMBER 31, 2003

FINDING 2003—1 (Continued)

- Reinforce communications with tenants and income providers regarding data and information requirements.
- Generate edit reports to identify missing Social Security numbers and other required data.
- Conduct an in-depth study of the housing application and annual re-certification process to identify and
 correct noncompliance issues and to implement recommendations for processing efficiencies.
- Automate various stages of the application and re-certification process via use of scanning technology, computer-generated lease violation letters, computer-generated rent increases and notifications.
- Implement procedures for periodic file reviews and monitoring to ensure that appropriate documentation is maintained. These file reviews should include a standard checklist of required documentation.
 Internal follow-up and file audit procedures should be implemented.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) LOW RENT HOUSING PROGRAM—CFDA 14.850 AND CAPITAL FUND PROGRAM—CFDA 14.872 U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT YEAR ENDED DECEMBER 31, 2003

FINDING 2003—2

QUESTIONED COSTS: NONE

The Authority has not performed a physical inventory of equipment purchased with federal awards within the last two years. Also, a bar code number was not affixed to an equipment item purchased with federal funds.

Condition

The accuracy of the Authority's subsidiary ledgers for equipment items such as vehicles, appliances, office furniture, computers, etc., has not been verified via physical inspection and count of the actual assets. One out of three (33%) equipment items selected for physical inspection for the Capital Fund Program did not contain the required tag number.

Cause

The Authority's management cited the cost/benefit factor as the reasons for the conscious decision not to conduct the required physical inventory of equipment purchased with federal funds. A physical inventory observation and count has not been conducted to ensure all fixed assets have been accounted for and tagged.

Criteria

The OMB Circular A-133, Equipment and Real Property Management Requirement states that as a common rule "... a physical inventory of equipment shall be taken at least once every two years and reconciled to the equipment records. An appropriate control system shall be used to safeguard equipment, and equipment shall be adequately maintained." According to the Authority's Fixed Asset Policies and Procedures, "capitalized equipment is tagged with a bar code number assigned by the Fixed Asset Department at the time of receipt by a department or a development site. The Fixed Asset Department controls the disbursing and tracking of CHA bar code tags."

Effect

Failure to conduct physical inventory observations and counts could lead to inaccurate equipment records and misstated equipment balances in the financial statements. Missing bar codes tags hinders the Authority's ability to track, control and account for equipment items.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) LOW RENT HOUSING PROGRAM—CFDA 14.850 AND CAPITAL FUND PROGRAM—CFDA 14.872 U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT YEAR ENDED DECEMBER 31, 2003

FINDING 2003-2 (Continued)

Recommendation

Conduct physical inventory observations and counts of equipment. If the Authority feels it is not cost effective to conduct physical inventory count at least every two years, the Authority should petition to the Department of Housing and Urban Development (HUD) to have this requirement waived through its Move To Work Agreement. Affix a bar code to this equipment item and perform spot checks on an annual basis to ensure that equipment items exist, are properly tagged and are in good working condition.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) LOW RENT HOUSING PROGRAM—CFDA 14.850 U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT YEAR ENDED DECEMBER 31, 2003

FINDING 2003—3

QUESTIONED COSTS: NONE

The Authority did not meet the filing deadline for certain information regarding the operating subsidy.

Condition

The Authority is required by the U.S. Department of Housing and Urban Development (HUD) to submit the Calculation of Operating Subsidy Form HUD-52723 by March 3, 2003 deadline. Form HUD-52723 was submitted 25 days late on March 28, 2003.

The Authority did not review the HUD website to ascertain the submission deadline for the Performance Funding System (PFS) calculation. These deadlines change periodically. In FY2002, the Authority was not required to submit the calculation until May 1st. A notice requiring the submission of the PFS form for all PHAs was posted on HUD's website in January 2003. In past years, HUD sent letters requesting the PFS calculation. In FY2003, a letter was not issued by HUD requesting the FY2003 Operating Subsidy Calculation on March 1, 2003. Subsequently after the due date, the CHA request and the HUD granted the Authority until March 28th to submit the Performance Funding System Calculation. Such calculation was approved in a special board meeting and submitted to HUD on March 28th.

Criteria

HUD Notice PIH 2003-1 approved under OMB Approval number 2577-0029, states that "PHAs with a fiscal year beginning January 1, 2003, must submit their Calculation of Operating Subsidy Form HUD-52723 by March 3, 2003."

Effect

HUD Notice PIH 2003-1 (HA) states that the "schedule must be adhered to in order for HUD to construct an accurate pro-ration level, which cannot be done until all PHA subsidy calculations are received and reviewed by HUD. A PHA that fails to submit its required documentation in a timely manner will be subject to a suspension of payments. CHA faces the possibility of the suspension of payments from HUD.

Recommendation

Review the HUD Website each quarter and submit the Operating Subsidy Calculation Form HUD-52723 by the stated deadline.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) LOW RENT HOUSING PROGRAM—CFDA 14.850 U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT YEAR ENDED DECEMBER 31, 2003

FINDING 2003-4

QUESTIONED COSTS: NONE

The Authority, in certain instances, did not follow the Department of Housing and Urban Development (HUD) procurement requirements.

Condition

For three of twenty-five (12%) purchases tested, totaling \$316,000, the Authority received services and/or products prior to meeting the competitive procurement and contract compliance requirements. The Authority did not solicit competitive bids for such services and products.

One of the three purchase orders was for \$200,000. The service and materials were for advertising campaign for the Authority's new image and logo. The documentation to support a non-competitive contract was not sufficient. A memo justifying this non-competitive procurement was not prepared. The user department, Internal/External Communications Department, obtained "after the fact" Board approval to pay this contract.

Cause

The Authority's user department did not adhere to the HUD and Authority Procurement Policies. Additionally, the user department inadvertently neglected to inform the Procurement and Legal Departments of the nature of this transaction.

Criteria

The Authority's Procurement and Contracts Policies and Procedures manual states, "All procurements over \$2,500 are solicited on a competitive basis." The Policy manual also requires that an approved Purchase Order (P.O.) prior to receiving the services resulting from a competitive procurement.

Effect

Lack of competitive bids and/or proposals hinders the Authority's ability to receive the best price available. In addition, this oversight results in a direct violation of HUD and Authority procurement policies.

Recommendation

Obtain competitive bids and/or proposals for all applicable procurements.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) CAPITAL FUND PROGRAM—CFDA 14.872 U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT YEAR ENDED DECEMBER 31, 2003

FINDING 2003---5

QUESTIONED COSTS: NONE

In some instances, an Authority contractor did not comply with the prevailing wage rate requirement established by the United States Department of Labor (DOL).

Condition

Wage rates paid by the contractor for three of twenty-five (12%) employees selected paid wages were less than the required prevailing wage rate established by (DOL) for the locality. For the payroll week ended February 16, 2003, a contractor paid laborers at the rate of \$28.87/hr; while the required DOL wage rate was \$32.87/hr.

Cause

The compliance officer assigned was new and did not have the monitoring experience of construction contracts.

Criteria

The Davis-Bacon Act states that, "all laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2,000 financed by Federal assistance funds must be paid wages not less than those established for the locality of the project (prevailing wage rates) by the U.S. Department of Labor (40 USC 276a to 276-7)."

Effect

The contractor is in violation of the Davis-Bacon Act. As a result, the Authority is obligated to require the contractor to pay the \$32.87/hr prevailing wage rate. The Authority's payments to the contractor will also need to be increased. As of April 15, 2004 the contractor had not paid the prevailing wages to its employees.

Recommendation

Require this contractor to pay prevailing wages. Review all payments to date under this contract to detect any additional shortfalls. Perform audits and spot checks of other construction contracts to identify additional instances of noncompliance.

CHICAGO HOUSING AUTHORITY CORRECTIVE ACTION PLAN YEAR ENDED DECEMBER 31, 2003

CHANGE.

CHICAGO HOUSING AUTHORITY

Sharon Gist Gilliam Chairperson

Lori Healey Vice-Chairperson

Board of Commissioners
Hallie Amey
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Martin Nesbitt
Carlos Ponce
Mary E. Wiggins
Sandra Young

Terry Peterson Chief Executive Officer

Adrienne G. Minley Chief of Staff

Gail A. Niemann General Counsel

CHICAGO HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS CORRECTIVE ACTION PLAN YEAR ENDED DECEMBER 31, 2003

FINDING 2003—1

Low Rent Tenant Application and Annual Re-certifications

In certain instances, the Authority's tenant applications were incomplete and annual tenant re-certifications were missing required documents.

Corrective Action Plan

The CHA and property management firm personnel received training in this area in the latter part of 2003. As we move forward in 2004, we expect significant improvements in this area. The Asset Management Division, along with the Quality Control department, will be conducting inspections throughout 2004 to ensure the sites are in full compliance in this area. The Assistant Director of Asset Management Operations will be responsible for resolution of this finding.

The Authority has made significant improvements in conducting annual tenant re-certifications. As of December 31, 2003, there were only 123 outstanding re-certifications. This number continues to decrease because of the training programs that took place during 2003. We have seen a decrease in errors as it relates to rent determinations. We are currently working to develop a data sharing agreement with Illinois Department of Human Services (IDHS) that will include the private property management firms. This will allow such firms access to the IDHS system so that they can cross reference information submitted by our residents to ensure that the correct information is being shared when conducting re-certifications. The Asset Management Division will continue to work with the Property Managers to achieve the target of completing 100 % re-certifications annually.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS CORRECTIVE ACTION PLAN (Continued) YEAR ENDED DECEMBER 31, 2003

FINDING 2003—2

Physical Inventory and Missing Tag on Equipment

The Authority has not performed a physical inventory of equipment purchased with federal awards within the last two years. Also, a bar code number was not affixed to an equipment item purchased with federal funds.

Corrective Action Plan

The Authority's decision not to perform a bi-annual physical inventory of equipment was made on the grounds of materiality, i.e., the equipment value to the overall book value of Fixed Assets is not significant. At December 31, 2003, the equipment value was substantially less than one percent of the Authority's overall Balance Sheet book value (0.22%). Of the overall \$2.5 million equipment book value, \$1.1 million was related to software, phone systems, and other intangible items.

CHA equipment is tracked and identified by more than one means of identification. Vehicles, in particular, are tracked and identified by: vehicle identification number, license plate number, make, and model, color and CHA location code. The Authority recognizes the limitations of bar code tags, which may be defaced or peeled-off, and has elected to incorporate these other sources of asset identification to prevent potential risk or loss of CHA assets. CHA has re-issued a second bar code tag for the vehicle that was physically inspected.

The Authority will reevaluate its decision not to perform a physical inventory, giving consideration to potential alternative steps to confirm the physical existence of assets by the end of the third quarter, 2004. If the Authority continues to believe it is not in its best interest to perform a physical inventory, it will request a waiver of this requirement from HUD. The Assistant Comptroller will be responsible for ensuring resolution by the third quarter of 2004.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS CORRECTIVE ACTION PLAN (Continued) YEAR ENDED DECEMBER 31, 2003

FINDING 2003—3

The Authority did not meet the filing deadline for certain information regarding the operating subsidy.

Corrective Action Plan

As of April 2004, the Budget Department implemented procedures requiring the Deputy Director to review the HUD website periodically to ensure that we are aware of any changes in submission of the PFS calculation. The 2004 PFS calculation was submitted on time since HUD sent out a written notification.

Do you have a vision for CHANGE?

SCHEDULE OF FINDINGS AND QUESTIONED COSTS CORRECTIVE ACTION PLAN (Continued) YEAR ENDED DECEMBER 31, 2003

FINDING 2003—4

The Authority, in certain instances, did not follow the Department of Housing and Urban Development (HUD) procurement requirements.

Corrective Action Plan

In clarification, the \$200,000 After-the-Fact transaction was presented to the Board in this manner because the Internal/External Communications department, did not originally inform Procurement or the Legal department that the money was, in fact, a reimbursement at no cost, with no broker fee.

In February 2004 the Department of Procurement and Contracts reviewed the purchase order usage for this project and found that only \$32,421.67 had been spent. We reached out to the Internal/External Communications department to review this issue and, it should be stressed, found that the vendor donated to CHA, \$1.5 million dollars worth of creative advertising services.

Next Steps:

The Department of Procurement and Contracts under the direction of the Special Procurement Manager will work with the user departments to ensure that they are aware of the procurement procedures by:

- Continuing to remind the user departments not to purchase without following the competitive procurement guidelines via the P-Team process.
- Addressing "After the Fact" procurements as a section of the Authority-wide training to be conducted by Procurement during the second half of 2004.
- Working with Executive Management to develop potential remedies/penalties to minimize/eliminate "After the Fact" procurements. Target date for completion is by the third quarter of 2004.

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CHICAGO HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS CORRECTIVE ACTION PLAN (Continued) YEAR ENDED DECEMBER 31, 2003

FINDING 2003—5

In some instances, an Authority contractor did not comply with the prevailing labor wage rate requirement established by the United State Department of Labor (DOL).

Corrective Action Plan

To clarify, the file selected by auditors for its review has eight months remaining on the contract and the balance remaining on the contract was materially more than the difference in the hourly wage paid to the three employees and the prevailing wage.

The audit looked at a sample of payroll weeks. However, when HUD reviews our files, the focus is on the time period of the contract instead of annually. HUD only requires a spot check of the payrolls - not a review of every payroll submitted by contractors.

Based on a conversation with our HUD Labor Relations Specialist, this would not be considered a finding based on the time remaining on the contract and the final payment request control. Contract Compliance has placed a hold on the balance of the Contract for the amount of \$161,000 and has informed the contractor via mail and a phone call regarding the compliance issue on this contract. The contractor for the contract in question has not had any compliance issues on previous contracts. On all Davis-Bacon applicable contracts, the final payment on the contract must be approved by Contract Compliance. Before Contract Compliance approves the final payment request, we ensure that all compliance requirements are met.

As of March 2004, the following steps were implemented:

- Applicable files were reviewed and the Compliance Unit completed a comprehensive re-analysis of all contracts awarded since 2000 and confirmed Compliance Officer assignment.
- Each week every Compliance Officer submits a weekly work log. This work log lists every contract that
 a Compliance Officer is responsible for monitoring for compliance. This log is reviewed on a monthly
 basis to ensure that every file assigned to a particular Compliance Officer is on the work log and each
 contract has an update as to the last time it was reviewed.

The Contract Compliance Senior Manager will ensure that the above steps are complete.

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CHICAGO HOUSING AUTHORITY SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS YEAR ENDED DECEMBER 31, 2003

CHANGE.

CHICAGO HOUSING AUTHORITY

Sharon Gist Gilliam Chairperson

Lori Healey Vice-Chairperson

Board of Commissioners
Hallie Amey
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Martin Nesbitt
Carlos Ponce
Mary E. Wiggins
Sandra Young

Terry Peterson Chief Executive Officer

Adrienne G. Minley Chief of Staff

Gail A. Niemann General Counsel

CHICAGO HOUSING AUTHORITY

SCHEDULE OF PRIOR AUDIT FINDINGS YEAR ENDED DECEMBER 31, 2003

FINDING 2002—1

The Authority's procedures for processing tenant applications and conducting annual tenant recertification results in questions regarding the accuracy of tenant monthly rent determinations. Additionally, such procedures do not result in the timely completion of annual recertifications, in some instances.

Status

The Authority's Asset Management department has implemented a program, with the assistance of HUD, to revamp the process utilized by the Authority and the property management firms to gather documentation when conducting re-certification procedures and has revamped the manner in which rent is calculated. HUD has identified and hired a consulting firm to work with the CHA on the issues cited. There was a series of training sessions held in 2003 with the Asset Management Division, the Quality Control Department, property management firms and the Occupancy Department. The first training session was held on April 4, 2003 with the property management firms to address the proper method to calculate rent and documentation verification.

All forms for conducting file reviews were updated with the assistance of the consulting firm. Periodic trainings were held in 2003 on the use of such forms. Additionally, these forms will be used by both the Asset Management Division and the Quality Control Department to conduct random file audits. This process began in June 2003. Because these procedures were initiated, but not fully implemented during 2003; this finding was repeated as Finding 2003-1.

FINDING 2002—2

The Authority did not maintain some of the required records needed to support tenant eligibility and order of tenant selection for the Low Rent Housing Program.

Status

HUD has identified and hired a consulting firm to work with the CHA on identifying the proper documents required to support tenant eligibility. All forms for conducting file reviews will be updated with the assistance of the consulting firm. Periodic training sessions were held throughout the year in the use of the revised forms. Additionally, the revised forms were used by both the Asset Management Division and the Quality Control Department in conducting random file audits which started in June 2003. Because these procedures were initiated, but not fully implemented during 2003; this finding was repeated as Finding 2003-1.

- 29 -

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CHICAGO HOUSING AUTHORITY

SCHEDULE OF PRIOR AUDIT FINDINGS (Continued) YEAR ENDED DECEMBER 31, 2003

FINDING 2002—3

The Authority did not maintain some of the required records needed to support tenant eligibility for the Section 8 Housing Program.

Status

CHAC issued and implemented procedure notice No. 105 on July 24, 2002. This notice outlined the procedures for the creation of duplicate files when the original is misplaced. Accordingly, this finding was not repeated in 2003.

FINDING 2002—4

Instances were noted where the Authority did not properly comply with Housing Quality Standards ("HQS") enforcement procedures.

Status

CHAC recovered the Housing Assistance Payment ("HAP") overpayments from the appropriate property owners. Also, the abatement procedures were reviewed with the inspections departments and CHAC has assigned staff to handle the placement and removal of abatements. Accordingly, this finding was not repeated in 2003.

APPENDIX J: Moving To Work FY2004 Annual Report Required Certifications

January 14, 2005

ITEM NO. C2

RECOMMENDATION THAT THE CHICAGO HOUSING AUTHORITY'S (CHA)
BOARD OF COMMISSIONERS APPROVE THE CHA'S FY2004 MOVING TO WORK
ANNUAL REPORT

To the Honorable Board of Commissioners,

RECOMMENDATIONS

It is recommended that the Board of Commissioners approve the attached "Chicago Housing Authority's FY2004 Moving to Work Annual Report" and grant authorization to submit the document to the United States Department of Housing and Urban Development (HUD) for approval.

FUNDING

No CHA Funding is applicable to this request.

EXPLANATION

The Plan for Transformation was approved by HUD and incorporated into a Moving to Work (MTW) Agreement that was executed on February 6, 2000. The MTW Agreement provides guidelines on the content and submission requirements for the CHA to produce and submit an Annual Report to HUD outlining the progress toward commitments made in the original Plan for Transformation and each Annual Plan.

The FY2004 MTW Annual Report provides information necessary for HUD to assess the CHA's performance in both day-to-day operations and activities authorized by the MTW Demonstration Program. HUD requires this report to be submitted annually, along with a Board of Commissioners' resolution approving this report, no later than 60 days after the end of the CHA's fiscal year (March 01, 2005).

Included with this resolution is a draft of the FY2004 MTW Annual Report for the Board of Commissioners' review and approval. The FY2004 MTW Annual Report will be submitted to HUD no later than March 1, 2005. There may be corrections necessary subsequent to this Board of Commissioners' meeting.

Based upon the foregoing, it is in the best interest of the CHA to approve the FY2004 MTW Annual Report and grant authorization to the Chief Executive Officer to make such corrections as he may deem necessary to submit the report to HUD.

RESOLUTION NO. 2005-CHA-25

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 14, 2005, requesting approval of the "FY2004 MTW Annual Report," attached hereto:

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the attached "FY2004 MTW Annual Report" and grants authorization to the Chief Executive Officer to make such corrections as he may deem necessary; approve final changes, including changes based on HUD requirements; and submit the report to the U.S. Department of Housing and Urban Development. Such approval shall constitute conclusive evidence of the Board's approval of any and all such changes.



Certification of Payments to Influence Federal Transactions

U.S. Department of Housing and Urban Development Office of Public and Indian Housing

Applicant Name

Chicago Housing Authority

Program/Activity Receiving Federal Grant Funding

Public Housing/Housing Choice Voucher Program

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.

(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Title

Terry Peterson

Chief Executive Officer

Signature

Date (mm/dd/yyyy)

All

February 28, 2005

Previous edition is obsolete

form HUD 50071 (3/98) ref. Handboooks 7417.1, 7475.13, 7485.1, & 7485.3

Certification for U.S. Department of Housing and Urban Development a Drug-Free Workplace Program/Activity Receiving Federal Grant Funding Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below: I certify that the above named Applicant will or will continue (1) Abide by the terms of the statement; and to provide a drug-free workplace by: a. Publishing a statement notifying employees that the un-

employees for violation of such prohibition. b. Establishing an on-going drug-free awareness program to inform employees ---

lawful manufacture, distribution, dispensing, possession, or use

of a controlled substance is prohibited in the Applicant's work-

place and specifying the actions that will be taken against

- (1) The dangers of drug abuse in the workplace;
- (2) The Applicant's policy of maintaining a drug-free workplace;
- (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;
- d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

- (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federalagency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---
- (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
- (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- g. Making a good faith effort to continue to maintain a drugfree workplace through implementation of paragraphs a. thru f.
- 2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here if there are workplaces on file that a	re not identified on the attached sheets.
I hereby certify that all the information stated h	nerein, as well as any information provided in the accompaniment herewith, is true and accurate.
Warning: HUD will prosecute false claims and sta (18 U.S.C. 1001, 1010, 1012; 31 U.S.	atements. Conviction may result in criminal and/or civil penalties. C. 3729, 3802)
Name of Authorized Official	RCER TITLE DIRECTOR HUMAN TO SOURCES
Signature	Date 2 07: 05
x Aux bounce	form HUD-50070 (3/98) ref. Handbooks 7417.1, 7475.13, 7485.1 & .3

CHA Drug and Alcohol Policy

3.12 Violence in the Workplace

The CHA has "Zero Tolerance" for Violence In The Workplace. Fighting, harassment, provoking, threats, intimidation or inciting another employee to engage in such conduct are unacceptable. Employees who violate this Policy are subject to discipline and discharge. Employees who experience violence, including, but not limited to, a threat, fighting, harassment or intimidating behavior from any source (or who witness same), must report it immediately to the Managing Director and/or Department Director.

3.13 Drug and Alcohol Policy

The CHA is a Drug Free Work Place and its Policy on drug and alcohol use is one of "Zero Tolerance." Employees must not appear for work with the presence of alcohol or under the influence of alcohol or illegal non-prescribed drugs in their systems. Employees are prohibited from possessing alcohol or illegal non-prescription drugs. Employees who take prescribed drugs that affect their cognitive abilities should not report to work and should use appropriate leaves. (See Sections 2.6 and 2.7) Employees who violate this Policy will be terminated.

Employees are required to participate in drug and alcohol testing at a CHA designated testing facilities in the following circumstances:

1. Upon CHA's making a conditional offer of employment.

2. Upon re-employment or return from any period of continuous absence of thirty- (30) calendar days or more.

- 3. In instances where the employee has been involved in an automobile accident during the course of employment, regardless of whether the automobile is a CHA vehicle or the employee's vehicle and regardless of whether the employee is injured, the employee must submit to a medical evaluation which includes drug and alcohol testing as immediately after the accident as practical under the particular circumstances, but in no event later than twenty-four (24) hours after the accident.
- 4. In instances where the employee has suffered an alleged accident, regardless of whether the employee is injured or not, the employee must submit to a medical evaluation which includes drug and alcohol testing immediately after the accident or as soon as practical under the particular circumstances, but in no event later than twenty-four (24) hours after the accident.
- In instances where the employee's supervisor has a reasonable suspicion that, the employee is at work under the influence of drugs and/or alcohol.

Employees who occupy safety sensitive positions will be subject to random or periodic drug testing.

CHA drug and alcohol testing vendors are N.I.D.A. accredited. Drug and alcohol test results are confidential and are not disclosed to third parties by the CHA, except upon express written authorization of the employee or as required by law. Employees who submit to drug and alcohol testing described above and whose test results show a positive result will be terminated. Employees who refuse to cooperate in the testing process will be terminated. Employees whose test results are positive may elect to have the sample re-tested at a different N.I.D.A. accredited laboratory at the employee's cost. Arrangements for re-testing must be made through the Director of Human Resources.

3.14 Drug Related Convictions

Employees who are convicted of a drug-related offense are subject to termination.

3.15 Fleet Policy

(a) Use of CHA or Personal Vehicles in the Course of Employment

CHA employees may be allowed to use CHA vehicles or their personal vehicles in connection with their employment, depending upon the nature of their job responsibilities and in accordance with the CHA Fleet Policy. Employees must obtain approval for a CHA vehicle or personal vehicle use in the course of employment through their Department Director and the Risk Management Department. Approval of such requests is discretionary. Where such vehicle use has been approved, the employee must do the following:

- Provide the Risk Management Department with a photocopy of the employee's current valid driver's license/insurance card and ensure that Risk Management is advised of any changes in the status of the license and insurance.
- 2) In the case of employees who use their personal vehicles, maintain automobile property and liability coverage on the automobile consistent with the limits imposed by Illinois law and in accordance with the CHA Fleet Policy.
- Employees are to complete all required documentation and forms necessary to comply with Policy 3.15.
- (b) Twenty-Four Hour Vehicle Assignments

Certification for a Drug-Free Workplace

The following is a list of locations with CHA employees:

35 South Paulina Street

200 West Adams Street

364 West Oak

500 East 37th Street

591 East 37th Street

600 West Jackson Boulevard

626 West Jackson Boulevard

912 North Hudson

918-20 East 131st Street

1550 West 88th Street

2325 South Federal Street

3333 West Arthington

3653 South Federal

4630 South Federal

4700 South State Street

4859 South Wabash Avenue

COLLABORATIONS

The Chicago Housing Authority thanks the following organizations for collaborating with us on the Plan for Transformation.

Access Living **ACCIÓN** After School Matters American Lung Association of Metropolitan Chicago Archdiocese Center for Peace and Justice Assets for Independence Individual Development Accounts Program Business and Professional People for the Public Interest **Canon Corporation** Central Advisory Council CHAC. Inc. Chapin Hall Charles A. Hayes Family Investment Center Chicago Area Project Chicago City Council Chicago Commission on Human Relations Chicago Community Trust Chicago Connections Chicago Department of Administrative Hearings Chicago Department of Budget and Management Chicago Department of Children and Youth Services Chicago Department of Construction and Permits Chicago Department of Housing Chicago Department of Human Services Chicago Department of Planning and Development Chicago Department of Public Health Chicago Department of Transportation Chicago Department on Aging Chicago Department of Environment Chicago Fire Department The Chicago Historical Society Chicago HomeMakers Chicago Lawyers Committee for Civil Rights Under Law Chicago Metropolitan Pier and Exposition Authority Chicago Park District Chicago Police Department Chicago Project for Violence Prevention Chicago Public Building Commission

Chicago Public Library

Chicago Public Schools Chicago Transit Authority Chicago Youth Programs City Colleges of Chicago The Community Builders, Inc. Community Investment Corporation **Cook County Housing Authority** Department of Commerce and Economic Opportunity Ogden Courts DePaul University Developing Communities Project, Inc. **Economic Law Project Employability Plus Employment and Employer Services Environmental Law and Policy Center** Fannie Mae Ford Foundation Freddie Mac Generations Online **Grand Boulevard Federation** The Habitat Company Healthcare Consortium of Illinois

Heartland Alliance **Heartland Human Care Services** The Home Depot Hospitality Academy at McCormick Place **Housing Choice Partners** Housing Opportunities and Maintenance for the

Elderly (H.O.M.E.) Illinois Environmental Protection Agency Illinois Facility Fund

Illinois Housing Development Authority

Illinois Institute of Technology

The Jane Addams Hull House Association/Housing

Resource Center **Jewish Vocational Training Center**

The John D. and Catherine T. MacArthur Foundation

The John Marshall School of Law Fair Housing Legal

Clinic kaBOOM!

Lake County Housing Authority Lakeside Community Committee, Inc.

Latin United Community Housing Association

Latinos United

Leadership Council for Metropolitan Open

Communities

Legal Assistance Foundation of Metropolitan Chicago

Levy Foods

Local Advisory Council Loyola University Chicago

Lutheran Child and Family Services Mayor's Office for People with Disabilities Mayor's Office of the City of Chicago Mayor's Office of Workforce Development

Metro Chicago Information Center Metropolitan Planning Council Mid-America Institute on Poverty Neighborhood Housing Services Northeastern University of Illinois

Norwegian American Hospital Foundation

Openlands

Partnership for New Communities Pediatric Case Management Services

Rogers Park Community Development Corporation

Roosevelt University The Rotary Foundation Safer Pest Control

Sargent Shriver National Center on Poverty Law

SCR Medical Transportation Shorebank Neighborhood Institute Spanish Coalition for Housing

Target Group, Inc.

Ujima

United States Department of Housing and Urban

Development (HUD)

United States Small Business Administration (SBA)

University of Chicago

University of Illinois at Chicago

Urban Art League Windows of Opportunity

